

Standing Committee on  
Economic Development  
and Environment



# Report on the Review of Land Use Permitting and Water Licensing Regulatory Framework in the Northwest Territories

20<sup>th</sup> Northwest Territories Legislative Assembly

Chair: Mr. Robert Hawkins

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**STANDING COMMITTEE ON  
ECONOMIC DEVELOPMENT AND ENVIRONMENT**

**REPORT ON THE REVIEW OF LAND USE PERMITTING AND  
WATER LICENSING REGULATORY FRAMEWORK IN THE  
NORTHWEST TERRITORIES**

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## **STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND ENVIRONMENT**

### **REPORT ON THE REVIEW OF LAND USE PERMITTING AND WATER LICENSING REGULATORY FRAMEWORK IN THE NORTHWEST TERRITORIES**

#### **EXECUTIVE SUMMARY**

The Standing Committee on Economic Development and Environment's (Committee) interest in undertaking a targeted review of the *Mackenzie Valley Resources Management Act's* (MVRMA) regulatory framework began in the Spring of 2024. This review was largely prompted by Committee being aware of the ongoing concerns and challenges within the regulatory system, particularly with respect to the Waters Regulations, that have been raised by various stakeholders, Indigenous governments and communities, proponents and other participants, particularly with respect to their experiences with the land use permitting and water licensing processes.

Committee's objective was to review the effectiveness and interpretation of the processes and requirements under the MVRMA, with a focus on ensuring the Act's spirit and intent are upheld. The review also aimed to assess the role of the Government of the Northwest Territories (GNWT) within the regulatory system. This work builds on related efforts, including the Mackenzie Valley Operational Dialogue (MVOD), the NWT Environmental Audit, and contributions from the Land and Water Boards, the Mackenzie Valley Review Board, Indigenous governments, the GNWT, the Government of Canada, and other stakeholders.

This study is designed to align with broader legislative priorities being advanced during the 20th Legislative Assembly, including the implementation of the Mineral Resources Act and the phased amendments to the Waters Act and its regulations led by the Department of Environment and Climate Change (ECC).

To inform this work, the Committee issued a public call for input and invited public feedback, including Indigenous governments and communities, the Land and Water Boards (LWBs), Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), the NWT and Nunavut Chamber of Mines, small mining and exploration companies, and other interested parties. A particular emphasis was placed on ensuring Indigenous

perspectives were heard, with formal invitations extended to Indigenous governments and communities to share their experiences and concerns.

Through public briefings and written contributions, Committee consistently heard a range of concerns and insights that coalesced around a set of recurring themes. These themes, often overlapping in both substance and impact, underscored the complexity and interconnectedness of the issues facing the regulatory system. Participants spoke to challenges related to regulatory duplication and clarity, and highlighted some of the logistical and planning challenges, particularly those that are unique to the North. Committee also heard about the importance of education and coordination, the potential for economic benefits, and the critical need for meaningful participation—particularly in terms of human resource capacity and sustained funding. Additionally, submissions frequently pointed to recommendations from the NWT Environmental Audit as a valuable reference point for future action. These perspectives form the foundation of Committee’s findings and have shaped the direction of our recommendations.

It is important to note that some Indigenous governments and stakeholders expressed a willingness to participate but were unable to do so due to capacity limitations—a recurring issue that emerged throughout the study and is reflected in multiple sections of this report.

**Recommendation 1:** The Standing Committee on Economic Development and Environment recommends the Government of the Northwest Territories develop a standardized mineral exploration permitting bundle, in consultation with affected parties, similar to what the Mackenzie Valley Land and Water Board has already done for municipal water licences.

**Recommendation 2:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories provide a transparent public update on its website outlining the steps being taken to amend the Waters Regulations, progress against key milestones, and timelines for further action, to ensure accountability and maintain public confidence.

**Recommendation 3:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories update the Waters Regulations, allocate sufficient resources — including staffing and funding— to

support the amendments and their implementation, and identify a clear target date by which the new regulations will be in effect.

**Recommendation 4:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories adhere to the announced timeline for implementing the Mineral Resources Act Regulations, ensuring that the process includes meaningful public consultation, is properly resourced for effective execution, and is supported by frequent public reporting on progress and milestones through the GNWT website to maintain transparency and accountability.

**Recommendation 5:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories review and enhance its internal processes related to board appointments, including the timeliness of nominations, coordination with federal counterparts, and mechanisms for follow-up, to ensure that regulatory and co-management boards maintain full membership and operational continuity, and make these enhancements in a timely fashion.

**Recommendation 6:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories add compliance and enforcement datasets to the GNWT Open Data Portal.

**Recommendation 7:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories expand and improve the current Pathfinding Program into a single, comprehensive initiative. This enhanced program should guide proponents through regulatory requirements across the entire project lifecycle, encompassing the Land and Water Boards and relevant GNWT departments. Adequate staffing and resources should be provided by the GNWT to ensure its effective operation.

**Recommendation 8:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories review the suite of existing templates and guidance documents across the regulatory system to identify where there are gaps, and develop consistent, high-quality materials—such as templates, how-to guides, and reference documents—to support all stages of the project authorization lifecycle as part of a comprehensive Pathfinding Program.

**Recommendation 9:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories work with the Land and Water Boards of the Mackenzie Valley to provide better guidance and direction to project proponents across all stages of the regulatory lifecycle of a project to include plain language summaries with their technical reports as part of their engagement with Indigenous communities and the public.

**Recommendation 10:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories provide more detailed timelines and commitments for development of the new Indigenous Procurement Policy (IPP) and provide details as to how the new IPP could help to address the concerns raised by Indigenous governments and communities in this report and elsewhere.

**Recommendation 11:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories increase the number of secondments to Indigenous governments and communities to increase capacity in environmental, technical, resource development and regulatory fields.

**Recommendation 12:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories provide greater investments and partnerships with Indigenous governments to develop long-term capacity building programs for Indigenous governments that include:

- Creating dedicated funding streams for training and professional development in regulatory, environmental, and technical fields.
- Supporting more internships, apprenticeships, and mentorships with regulatory agencies or Indigenous organizations.
- Promoting post-secondary scholarships and bursaries in relevant disciplines like environmental science, engineering, law, or land management and ensuring that local institutions such as Aurora College are able to provide high quality education in these fields.
- Partnering with Indigenous governments in developing community-led training programs while also involving local knowledge holders and Elders to ensure the training is culturally appropriate.

**Recommendation 13:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories change

the Interim Resource Management Assistance Program funding model from providing annual funding to providing stable multi-year funding to enable Indigenous governments to attract and retain high quality staff.

**Recommendation 14:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories prioritize and enhance efforts to increase capacity funding for Indigenous governments and organizations, advocating for this as part of the updated federal engagement strategy and provide a public status update.

**Recommendation 15:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories work with the federal government to clarify how the Northern Regulatory Initiative (NRI) can be used to strengthen capacity in the Northwest Territories and provide clear guidance to eligible parties on how to access this funding.

**Recommendation 16:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories provide new dedicated capacity funding to support meaningful participation by community governments, non-governmental organizations, and members of the public in regulatory processes under the *Mackenzie Valley Resource Management Act* (MVRMA). Committee further recommends that the GNWT ensure these groups are consistently included and invited to participate in relevant discussions, so their knowledge and expertise can contribute to decision-making processes, and to share publicly how they will do so and how improvement will be measured.

**Recommendation 17:** The Standing Committee on Economic Development and Environment recommends that the GNWT fully implement all recommendations outlined in the 2020 NWT Environmental Audit, and provide a comprehensive, public written update to Committee that includes:

1. The current status of implementation for each Audit recommendation, clearly indicating which have been completed, are in progress, or remain outstanding;
2. Timelines for the completion of each outstanding recommendation;
3. A detailed rationale for any delays or deviations from any original implementation plans that were developed;
4. An estimate of associated costs and human resources for implementing each recommendation, including any future projected expenditures; and

5. A clear and actionable plan outlining how the government intends to address all outstanding Audit recommendations, including assigned departmental responsibilities, expected outcomes, and measures to track progress.

**Recommendation 18:** The Standing Committee on Economic Development and Environment recommends that when the 2025 Environmental Audit is published, the Government of the Northwest Territories formulate a comprehensive update to Recommendation 17 in this Committee Report that includes a detailed response plan with associated resources and to provide that response within one year.

**Recommendation 19:** The Standing Committee on Economic Development and Environment recommends that the GNWT fully implement all recommendations outlined in the Mackenzie Valley Operational Dialogue, and provide a comprehensive, public written update to the Committee that includes:

1. The current status of implementation for each MVOD recommendation, clearly indicating which have been completed, are in progress, or remain outstanding;
2. Timelines for the completion of each outstanding recommendation;
3. A detailed rationale for any delays or deviations from any original implementation plans that were developed;
4. An estimate of associated costs and human resources for implementing each recommendation, including any future projected expenditures; and
5. A clear and actionable plan outlining how the government intends to address all outstanding MVOD recommendations, including assigned departmental responsibilities, expected outcomes, and measures to track progress.

**Recommendation 20:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories provide a response to this report within 120 days.

## ACKNOWLEDGEMENTS

Committee wishes to thank the following Indigenous Governments, government departments and agencies, stakeholders, and other subject matter experts for their invaluable contributions to this report:

- Sambaa K'e First Nation;
- Tłıchq Government;
- Acho Dene Koe First Nation;

- Łı́ıdlı́ Kúę́ First Nation;
- West Point First Nation;
- Land and Water Boards of the Mackenzie Valley;
- Northwest Territories/Nunavut Chamber of Mines;
- Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC);
- Alternatives North;
- Li-Ft Power;
- Lake Winn Resources; and
- North Arrow Minerals.

## INTRODUCTION

The Standing Committee on Economic Development and Environment's (Committee) interest in undertaking a targeted review of the *Mackenzie Valley Resources Management Act's* (MVRMA) regulatory framework began in the Spring of 2024. This review was largely prompted by Committee being aware of the ongoing concerns and challenges within the regulatory system, particularly with respect to the Waters Regulations, that have been raised by various stakeholders, Indigenous governments and communities, proponents and other participants, particularly with respect to their experiences with the land use permitting and water licensing processes.

Committee set out to review the underlying processes and requirements under the MVRMA, and their interpretation by all parties, with the goal of ensuring the spirit and intent of the MVRMA is being met, and to assess the Government of the Northwest Territories' (GNWT) role in the system. Moreover, Committee built upon other complementary initiatives such as the Mackenzie Valley Operational Dialogue (MVOD), the NWT Environmental Audit, and other work already done by the Land and Water Boards (LWBs) and the Mackenzie Valley Environmental Impact Review Board (MVEIRB), Indigenous governments, the GNWT, the Government of Canada (GoC), and stakeholders who interact with the land and water use permitting and licensing processes. These have presented a number of perspectives on opportunities for clarifying, strengthening, and simplifying the existing regulatory framework.

For this reason, Committee has conducted a study of the regulatory framework under the MVRMA that pertains to land and water use permitting, and its operational effectiveness. This initiative is meant to complement and align with larger legislative initiatives with longer timelines that are under consideration by the GNWT for the 20th Legislative Assembly, such as drafting work for the Mineral Resources Regulations to

bring the *Mineral Resources Act* into force and amendments undertaken as part of the phased approach committed to by the Department of Environment and Climate Change (ECC) for the *Waters Act* and associated regulations.<sup>i</sup>

## BACKGROUND

The *Mackenzie Valley Resource Management Act* (MVRMA) provides the legislative foundation for regulating land and water use in the Mackenzie Valley, which encompasses approximately twenty percent of Canada's landmass. It is part of a broader integrated regulatory system that includes the *Waters Act*, the *Northwest Territories Lands Act*<sup>1</sup>, and various other federal and territorial statutes. The MVRMA was enacted to implement the provisions of modern land claim agreements, including those stemming from historic treaties such as Treaty 8 and Treaty 11, and to establish co-management regimes for natural resources in the NWT.

At its core, the MVRMA enables the creation and operation of co-management boards to oversee land use planning, environmental assessments, and the regulation of land and water use through Land and Water Boards (LWBs). These boards are composed of representatives from Indigenous Governments and territorial and federal government nominees to ensure decision-making reflects both scientific expertise and traditional knowledge. This collaborative structure is intended to ensure that resource development aligns with legal requirements, environmental protection goals, and Indigenous rights and interests. The boards' authority extends across both Crown and private lands and all waters within their jurisdiction.

As such, contemporary resource management in the NWT is rooted in the principles of integration, coordination, and co-management. The MVRMA and related legislation are direct outcomes of negotiated land claims and self-government agreements, which clarify land rights, ownership, and shared governance responsibilities. These agreements are constitutionally protected under Section 35 of the *Constitution Act, 1982* and guarantee Indigenous participation in managing both renewable and non-renewable resources.

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<sup>1</sup> Soon to be replaced when the *Public Land Act* comes into force which merges and aligns authorities currently set out in the *Commissioner's Land Act* and the *Northwest Territories Lands Act*.



The regulatory framework ensures that projects, from small-scale activities to major infrastructure developments, undergo rigorous and transparent reviews. Indigenous involvement is central to this process, ensuring that economic development is pursued in balance with environmental stewardship and community values. With the *Devolution Agreement* of 2014, jurisdiction over most public lands transferred to the GNWT, leaving less than eight percent of the territory under federal administration. This shift has further emphasized the importance of cooperative governance between Indigenous communities and territorial authorities in resource management.

In addition to the co-management system set out by the MVRMA, there are other factors that make the North a unique jurisdiction to pursue resource extraction and other business endeavours, some of them posing challenges. Throughout this study, Committee was reminded that the remoteness, extreme temperatures, short construction season, lack of energy and transportation infrastructure, and high costs of operating in the NWT can present challenges for all participants in the regulatory system. Nevertheless, Committee is also aware that the North's uniqueness can give it a competitive advantage, particularly where partnerships with Indigenous communities or the opportunity to use renewable energy and green technologies results in projects that have high potential for meeting environmental, social and governance (ESG) goals for sustainability and ethical development.

## STUDY SCOPE

Committee's review of the regulatory framework began in the Spring of 2024. This review was largely prompted by the ongoing concerns and challenges raised by various Indigenous communities and Governments, stakeholders and users across the MVRMA system. There is a significant body of publicly available work that underpins Committee's concerns and the direction for this study. For example:

- The Land and Water Boards have noted issues with the *Waters Act* and MVRMA, particularly with the regulations<sup>ii</sup>.
- Industry proponents, particularly those who are smaller-to-mid-level explorers and producers have raised challenges with permitting and licensing for projects.<sup>iii</sup>
- The MVOD was created in 2019 to respond to concerns raised by industry during the federal review of Bill C-88 and have since continued with the overarching goal "for the regulatory regime in the Mackenzie Valley to be understood, trusted, effective, and efficient for all involved (including IGOs, Governments, Boards, Industry, etc.)."<sup>iv</sup>

- Indigenous communities and Governments have raised significant capacity challenges and barriers that prevent meaningful participation in the regulatory system.<sup>v</sup>
- The 2020 NWT Environmental Audit identified a number of gaps, persistent and new issues, and areas of opportunity under a review of the effectiveness of the regulatory regime.<sup>vi</sup> Many of the issues and recommendations were carried forward from the 2015 Environmental Audit,<sup>vii</sup>

Committee's review is intended to build on the work already done by subject matter experts across the LWBs, Indigenous Governments, the GNWT, the Government of Canada, and other stakeholders who interact with the land and water use permitting and licensing process. Therefore, Committee's focus is on examining how the GNWT can improve, make changes where needed and as appropriate, and consider ways to enhance the capacity of parties to meaningfully participate in the land and water use permitting process. This report presents our findings and targeted recommendations to the GNWT that include specific actions and interventions the GNWT should consider for improving the administration, efficiency, and effectiveness of the regulatory framework.

Committee has also included observations which may not be associated with a particular recommendation. In many cases, what was presented or shared with Committee highlighted significant opportunities or provided relevant information and considerations that were beyond the scope of Committee's focus on recommendations to the GNWT. However, we found these perspectives to be important to the context of environmental and resources management in the NWT and have included them in the later sections of this report.

## **STUDY METHODOLOGY**

Committee's review began in the Spring of 2024. To support this review, Committee publicly sought feedback from Indigenous governments, the LWBs, other government agencies (e.g., Crown Indigenous Relations and Northern Affairs Canada (CIRNAC)), the NWT and Nunavut Chamber of Mines, small mining and exploration companies interacting with the regulatory framework, and other stakeholders through an open request posted on the Legislative Assembly website and social media. Recognizing the importance of Indigenous perspectives, Committee issued formal invitations to Indigenous governments and communities to participate and share their views and experiences.

## Public Engagement and Submissions

Committee held five public briefings which are available for viewing on the Legislative Assembly YouTube channel:

- NWT & Nunavut Chamber of Mines (June 25, 2024).
- Mackenzie Valley Land and Water Board (July 10, 2024).
- Crown Indigenous Relations and Northern Affairs Canada (CIRNAC) (July 11, 2024).
- Tłıchǵ Government (October 11, 2024).
- Briefing on Barriers to Lithium Mining in the NWT (Li-Ft Power, Lake Winn Resources, North Arrow Minerals) (October 31, 2024).

The presentations submitted for the public briefings are available in the appendices to this Committee Report.

In addition, Committee received written submissions:

- Written submission from the NWT & Nunavut Chamber of Mines (to supplement public briefing) (August 6, 2024).
- Written submission from Samba K'e First Nation (August 28, 2024).
- Written submission from Łı́ıdlı́ Kúé First Nation (September 5, 2024).
- Written submission from Alternatives North (September 27, 2024).
- Written submission from West Point First Nation (September 27, 2024).
- Written submission from Acho Dene Koe First Nation (October 3, 2024).
- CIRNAC submitted the 2024 Summary Report on the MVOB to Committee as a supplement to the public briefing.<sup>viii</sup>
- The Mackenzie Valley Land and Water Boards also referenced and provided two letters for Committee's consideration:
  - A letter from an Indigenous government describing capacity constraints .
  - A letter sent by all four LWBs to Ministers Vandal and Macdonald (and response from Minister Macdonald) regarding recommended changes to the Waters Regulations.<sup>ix</sup>

It should be noted that Committee received correspondence from Indigenous governments and communities, and other stakeholders who expressed an interest in

participating in the study but were not able to do so because of capacity constraints. Issues with community capacity is a recurring theme throughout this report.

Written submissions are included in the appendices to this Committee Report.

## **What We Heard: Themes of Engagement and Submissions**

There were seven themes and associated sub-themes identified across the public briefings and written submissions. In some cases, the themes and sub-themes are related to others and are treated as connected issues in the text of the report and its recommendations. As a result, some of the findings are recurring throughout the sections of the report, but sometimes with slightly different context and associated recommendations.

The themes are as follows:

1. Duplication
2. Legislative & Regulatory Issues
3. Education
4. Economic Benefits
5. Planning and Logistics
6. Engagement and Meaningful Participation
7. NWT Environmental Audit Recommendations

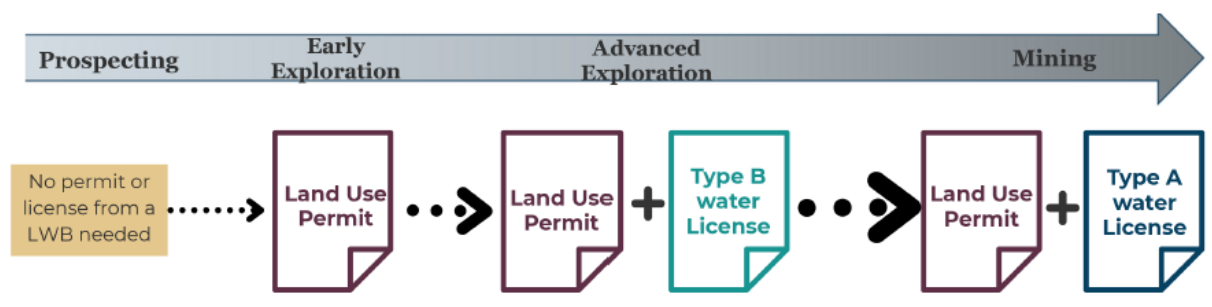
## **COMMITTEE RECOMMENDATIONS**

### **Duplication**

Committee heard from witnesses that there is concern regarding duplication of effort and required information within regulatory processes and authorizations, although not all witnesses shared that view. The Chamber of Mines raised concerns regarding apparent duplication and duplicative information being required across multiple submissions for permits, licences, and authorizations, as well as some confusion as to the process for submissions for different licences and ability to use information already submitted as a baseline for additional information.

The issue of “departmental siloing” was also raised as a challenge for small companies who experience challenges working with multiple regulators across the regulatory framework. There appears to be a disconnect where expectations are not entirely clear for participants.

Figure 1 (below) illustrates the typical process that is followed for securing permits and licenses for land and water use from the LWBs.



*Figure 1: Example of Land and Water Boards Permitting Process from Mineral Exploration to Mining*

Factors such as water use, equipment used on site, camp size, infrastructure, and any deposits of waste to water bodies will also impact the requirements from authorizations. Additional requirements for land tenure through surface leases is administered through ECC and constitutes a separate authorization process.

Committee’s study highlighted that having an integrated approach to streamline permitting processes for low risk, small exploration activities can have beneficial outcomes for smaller operations and exploration companies. To that end, the 2020 NWT Environmental Audit recommended that the LWBs and the GNWT develop a standardized mineral exploration permitting bundle, in consultation with affected parties, similar to what the MVLWB has already done for municipal water licences. Although the GNWT’s response indicated that this work would be actioned, it has not yet been implemented. Consequently, Committee recommends:

**Recommendation 1:** The Standing Committee on Economic Development and Environment recommends the Government of the Northwest Territories develop a standardized mineral exploration permitting bundle, in consultation with affected parties, similar to what the MVLWB has already done for municipal water licences.

To complement this recommendation, Committee has also provided additional recommendations related to the GNWT fully implementing the recommendations of the 2020 Audit throughout this report. Furthermore, Committee finds that the issue of “departmental siloing” could be addressed by undertaking an integrated, “whole of government approach” to regulatory decision making and information sharing. This concept is explored in a later section of this report that speaks to “pathfinding.”

## **Legislative and Regulatory Issues**

### **Waters Regulations**

Committee found that the Waters Regulations were the focal point of many written submissions and the public briefings. The Waters Regulations have not been substantively amended since they were enacted in 1993, which has meant that its provisions have not kept pace with the economic development landscape in the NWT. The LWBs have noted that the primary issues are:

1. Project types are not contemplated in the Regulations (e.g., mineral exploration, diamond mining, abandoned mine-site remediation projects, etc.).
2. There is a mismatch between the amount of regulatory process required for activities and the environmental impacts of some regulated activities (e.g., water use for ice bridges, etc.),
3. Language is not clear for some provisions (see appendices for examples).

Many participants that we heard from highlighted the need for timely, surgical changes to the Waters Regulations to bring them up-to-date and provide much needed clarity for Indigenous governments and communities, the LWBs, industry proponents, and others who engage with the Waters Regulations.

*“For more than 15 years, the Northwest Territories resource management system has been under some sort of review or revision. We have a world-class regulatory system based on modern treaties and co-management, with open and transparent processes and evidence-based decision making. We do not need fundamental changes. Unfortunately, all those reviews and attempted revisions have distracted us from doing the kind of basic maintenance work on our land and water regulations that should be standard regulatory practice.”*

*We have some regulatory requirements that are outdated or simply unclear. We need communication and education for people unfamiliar with our treaty-based co-management system. It is part of our shared responsibility to help developers navigate the regulatory process, also to debunk myths, deconstruct generalizations, and get the facts out there.”* Tłıchǵ Government Public Briefing, October 11, 2024

The LWBs have provided a clear and actionable roadmap for the GNWT in their May 2024 letter to the Hon. Minister Vandal and the Hon. Minister Macdonald (see appendices for a summary of all recommendations including those from the LWBs).<sup>x</sup> This guidance builds on recommendations previously made to the Ministers in 2017<sup>xi</sup> and again in 2023 through the MVOD. Committee notes the Minister of ECC has stated a commitment to advancing amendments to the *Waters Act* and Waters Regulations in phases, beginning with the Waters Regulations.<sup>xii</sup> While this commitment is a step forward, Committee finds the prolonged inaction on these long-standing recommendations unacceptable. It is deeply concerning that the GNWT has been aware of these critical issues since 2017, yet concrete steps are only now being initiated. This delay undermines the interests of the NWT and its residents. Committee strongly urges the GNWT to prioritize and expedite this work without further delay.

Echoing the concerns expressed by the LWBs, the NWT and Nunavut Chamber of Mines, several Indigenous governments, and Alternatives North, Committee notes that certain aspects of the Waters Regulations are outdated, lack clarity, and present challenges for a wide range of participants with diverse interests. The Minister committed to providing an update at the next MVOD Meeting,<sup>xiii</sup> however, there is no publicly available indication of when that will be. In the interest of transparency, accountability and keeping the public informed, Committee therefore makes the following recommendation:

**Recommendation 2:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories provide a transparent public update on its website outlining the steps being taken to amend the Waters Regulations, progress against key milestones, and timelines for further action, to ensure accountability and maintain public confidence.

Through the course of Committee’s study, we heard specific recommendations and concerns about the Waters Regulations. While broader legislative initiatives—such as

the potential update and integration of the *Waters Act* and the *Environmental Protection Act*—are important and necessary in the long term, the immediate responsibility of the government, through the Intergovernmental Council process, is to prioritize and address the most pressing issues with the greatest potential impact.

The issues have been well-documented across multiple publications, stakeholder testimonies, and requests made to the GNWT, yet decisive and coordinated action remains insufficient. The consequences of inaction are no longer hypothetical; they are measurable and immediate, with costs ultimately borne by residents of the NWT.

Committee calls upon the GNWT — as the principal authority responsible for safeguarding the public interest — to act without delay, to coordinate across departments and with the Intergovernmental Council, and to deploy the necessary authority, leadership, and resources to complete surgical changes to the Waters Regulations. Given the urgency and cumulative impact of inaction, the GNWT must treat this issue as a strategic priority, not a procedural inconvenience. Delay is no longer acceptable; coordinated, well-resourced intervention must begin now. Consequently, Committee recommends:

**Recommendation 3:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories update the Waters Regulations, allocate sufficient resources — including staffing and funding— to support the amendments and their implementation, and identify a clear target date by which the new regulations will be in effect.

## Mineral Resources Act and Regulations

Committee heard that ongoing regulatory and legislative changes, including the forthcoming regulations under the *Mineral Resources Act* (MRA), are generating uncertainty across stakeholder groups—particularly for industry proponents. Stakeholders emphasized that while regulatory reform is necessary, the timing, scope, and implementation of these changes should be carefully considered to avoid unintended delays, inefficiencies, or barriers to participation.

Proponents, such as those advancing critical mineral projects, highlighted that being among the first to navigate new regulatory frameworks creates unique challenges. The lack of precedent, coupled with evolving requirements, may extend project timelines



and increase risk. These concerns were compounded by observations that key regulatory terms—such as "early-stage exploration"—remain undefined, creating ambiguity in the permitting process. Greater clarity in definitions and permitting thresholds is needed to ensure that regulatory obligations are proportionate to the scale and risk of activities.

In parallel, Committee heard from Alternatives North about the perceived lack of meaningful public engagement in the development of legislation and regulations. There is concern that regulatory frameworks are being shaped behind closed doors, without adequate transparency or opportunities for public input. This approach risks diminishing public trust and missing valuable perspectives, particularly from environmental organizations, and local communities whose rights and interests may be significantly affected.

Committee underscores that predictable timelines, transparent processes, and well-defined regulatory language are crucial to maintaining confidence in the NWT's regulatory system. Inadequate consultation or rushed implementation may have serious implications for economic development, environmental stewardship, and the integrity of the co-management system. Committee notes that the public briefing with the Minister of Industry, Tourism and Investment held on February 26, 2025, was timely and provided much-needed information to the public. To that end, Committee recommends:

**Recommendation 4:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories adhere to the announced timeline for implementing the Mineral Resources Act Regulations, ensuring that the process includes meaningful public consultation, is properly resourced for effective execution, and is supported by frequent public reporting on progress and milestones through the GNWT website to maintain transparency and accountability.

### **Board Appointments**

Committee heard that delays and inefficiencies in the appointment of members to regulatory and co-management boards pose significant challenges to the effective functioning of these institutions. These boards play a critical role in ensuring regulatory oversight, balancing economic development with environmental stewardship, and upholding the principles of co-management and collaborative decision-making.

The Tłıchǵ Government emphasized that timely appointments are critical to maintaining quorum and enabling boards to fulfill their mandates. However, current appointment processes are often hindered by administrative and bureaucratic delays across multiple levels of government, including within federal systems. In some cases, Indigenous governments have had to intervene directly to advocate for the advancement of appointments, underscoring a lack of responsiveness in the system.

Committee recognizes the importance of ensuring that board appointment processes are efficient, transparent, and responsive. It also acknowledges the role of the GNWT in facilitating and following up on nominations to avoid gaps in governance, such as those currently impacting the Wek'èezhìi Land and Water Board. Consequently, Committee recommends:

**Recommendation 5:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories review and enhance its internal processes related to board appointments, including the timeliness of nominations, coordination with federal counterparts, and mechanisms for follow-up, to ensure that regulatory and co-management boards maintain full membership and operational continuity, and make these enhancements in a timely fashion.

## Compliance and Enforcement

Submissions to Committee highlight a perception that the current inspection and enforcement regime responsible for environmental protection and regulatory compliance in the NWT lacks transparency. At present, public access to information is largely limited to individual inspection reports posted on the LWB's registries. There is no centralized, or user-friendly system that offers comprehensive, accessible data on key aspects of inspection activity—such as the number of inspectors, frequency of inspections, instances of non-compliance, enforcement actions, or orders issued.

This absence of consolidated public reporting makes it challenging for the public, Indigenous governments, and other stakeholders to fully understand how environmental conditions are being monitored and enforced. Committee observes that while the *Public Land Act* (PLA) includes provisions for enhanced public reporting under section 56, these provisions have not yet been brought into force. This delay limits

opportunities to strengthen public communication, accountability, and confidence in the oversight of land and environmental management.

**Recommendation 6:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories add compliance and enforcement datasets to the GNWT Open Data Portal.

## Education

Many of the public presentations and written submissions highlighted the importance of education and building awareness amongst participants in the MVRMA system. When mineral exploration companies arrive in the NWT, their first point of contact is typically the GNWT's Department of Industry, Tourism and Investment (ITI), specifically through the Mining Recorder's Office. There, they begin the process by obtaining prospecting permits, staking mineral claims, and, if successful, securing mineral leases. As their project grows in scope, they eventually require a land use permit, which brings them into contact with additional regulators. At this stage, they start to receive input from a wider range of government agencies, including both territorial and federal departments—many of which may not have been part of the early conversations.

If the project advances toward becoming an operational mine, the next major step involves a review by the MVEIRB. Should the project be approved and granted the necessary regulatory authorizations, the proponent must then return to the GNWT to apply for a surface lease to proceed with development. This progression involves navigating a complex network of processes and agencies, which can be challenging. For this reason, it is particularly important in the mineral exploration and mining sector that proponents understand the full regulatory landscape early on so they can plan effectively and avoid unexpected delays. Education and support throughout the process is vitally important.

## Pathfinding

Several of the participants noted that there is an existing Pathfinder program offered by the GNWT that assists mineral exploration companies in the early stages. However, it was highlighted to Committee that a pathfinding function is also offered by the federal

government. There are many different types of activities, not just mineral exploration, and many different stages that projects go through where companies need to interact with different parties and regulators at different times, particularly when a project is transitioning through different phases within its lifecycle.

Committee sees evidence that expanding and enhancing the existing Pathfinder Program could be of significant benefit. Having one or several Pathfinder positions to guide applicants through the various rules and expectations for all types of industries and activities at all stages of their projects ensures proponents are receiving the most helpful guidance. It also reflects the holistic and integrated nature of the co-management system. Further to that, Committee observes that the Pathfinder position does not extend beyond the Department of ITI to coordinate with other GNWT departments such as ECC. This makes it a challenge for the LWBs, regulators who are issuing permits and licenses, and proponents to have a full understanding of what will be expected at every step. Consequently, Committee recommends:

**Recommendation 7:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories expand and improve the current Pathfinder Program into a single, comprehensive initiative. This enhanced program should guide proponents through regulatory requirements across the entire project lifecycle, encompassing the Land and Water Boards and relevant GNWT departments. Adequate staffing and resources should be provided by the GNWT to ensure its effective operation.

Committee notes that an in-depth investigation of surface leases and security determination is beyond the scope of this study, however, we suggest that surface leases and land tenure, and security determination and collection should be addressed within the scope of an enhanced Pathfinder Program to elevate the efficiency and effectiveness of the system.

## Guidance

Perspectives shared with Committee stated the importance of providing templates, guidance, how-to documents, and a clear delineation of what to expect throughout approval processes across the development lifecycle, particularly during the exploration phase. Several participants in Committee's study noted that the LWBs

provide abundant and helpful guidelines, bulletins and reference materials to assist applicants in understanding how the co-management system works.

As part of improvements made to Pathfinding under the creation of a comprehensive, “whole-of-government-approach” Pathfinding Program, Committee recommends the following:

**Recommendation 8:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories review the suite of existing templates and guidance documents across the regulatory system to identify where there are gaps, and develop consistent, high-quality materials—such as templates, how-to guides, and reference documents—to support all stages of the project authorization lifecycle as part of a comprehensive Pathfinding Program.

### Plain Language Summaries

Committee finds that there is a need for a more accessible and inclusive regulatory process, particularly for Indigenous governments. Specifically, we propose changes that would make it easier for community members—particularly those without technical backgrounds—to understand and engage with project proposals. One way to address this would be to require that all project submissions include a plain-language summary of the technical documents being reviewed.

This step would help bridge the gap between highly specialized reports and the broader public, ensuring that individuals can more easily contribute informed comments and concerns. By enhancing the accessibility of project information, the regulatory system would foster deeper, more meaningful engagement. This, in turn, could lead to more comprehensive decision-making that draws on a wider range of perspectives and traditional knowledge systems—particularly those currently underrepresented in the process.

Committee acknowledges that amendments to the MVRMA are beyond the scope of this study. However, the MVRMA could be supplemented with guidance requiring proponents to provide plain-language summaries of technical documents as part of the project review process. This measure would support equitable participation, enhance transparency, and ensure that Indigenous communities have a clear and accessible pathway to contribute their input throughout the regulatory process

**Recommendation 9:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories work with the Land and Water Boards of the Mackenzie Valley to provide better guidance and direction to project proponents across all stages of the regulatory lifecycle of a project to include plain language summaries with their technical reports as part of their engagement with Indigenous communities and the public.

Committee notes that amendments to legislation could be contemplated in the future to enhance and support meaningful engagement for Indigenous communities and education about activities taking place on their traditional lands.

### **Economic Benefits and Procurement**

All the Indigenous government and community responses expressed strong desire to ensure their communities secure an appropriate portion of the economic benefits of development. Additionally, a number of industry participants also expressed cases where partnerships and procurement from local Indigenous communities has significantly benefited their projects as well as the communities they have worked with. Committee sees the opportunity to go farther. As such, Committee further notes that at the time of writing this report, the GNWT is seeking public input on the development of a new Indigenous Procurement Policy (IPP). Committee sees this as timely and important work.

Committee observes that Indigenous procurement remains insufficiently prioritized in territorial regulatory and project implementation processes. One of the Indigenous Governments we heard from has repeatedly emphasized the importance of involving Indigenous monitors in projects to ensure environmental oversight reflects the values and expectations of impacted communities. Despite formal requests, they have often been excluded from subsequent procurement and monitoring opportunities.

Additionally, a submission received from an Indigenous government said that expressions of interest and requests for inclusion have been met with dismissive or generic responses from both the MVLWB and the GNWT. Indigenous governments and groups consistently call for the economic inclusion of Indigenous communities through preferential procurement and contracting opportunities, in alignment with the principles of economic reconciliation. The *Mineral Resources Act* is expected to

address some of these concerns by requiring Impact Benefit Agreements at the exploration stage once the Act is brought into force. Committee reaffirms its support for these objectives and urges the timely implementation of the *Mineral Resources Act* and its regulations to help advance meaningful economic participation for Indigenous communities.

Subsequently, Committee recommends:

**Recommendation 10:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories provide more detailed timelines and commitments for development of the new Indigenous Procurement Policy (IPP) and provide details as to how the new IPP could help to address the concerns raised by Indigenous governments and communities in this report and elsewhere.

## **Engagement and Meaningful Participation**

### **Capacity**

Committee recognizes that meaningful participation in the regulatory system depends heavily on the ability of all parties to engage fully; yet we consistently heard that limited staffing, funding, and timelines are significant barriers to effective participation. We heard that this is a common concern among Indigenous governments, the LWBs, small mineral development companies, the GNWT itself, and non-governmental organizations.

### **Staffing and Human Resources**

Committee observed that capacity constraints are a widespread challenge across the regulatory system, affecting Indigenous governments and communities, small exploration companies, and even regulatory agencies themselves. For Indigenous governments in particular, bottlenecks may arise at different stages of the process—such as conducting technical reviews or providing support—compared to those involved in final decision-making. These challenges are often rooted in the complexity of the regulatory landscape in the NWT, which requires a strong understanding of treaties, legislation, and technical operations. Addressing these issues is not as simple

as filling a vacancy; developing meaningful capacity requires time, mentorship, and institutional knowledge.

For Indigenous governments, lack of capacity can significantly undermine their ability to effectively participate. For example, the West Point First Nation shared that

*West Point First Nation often receives multiple autogenerated emails from the MVLWB on a daily basis. These notifications can be 3 or 4 notifications one day and another day the notifications can be 15 or more. Some of the notifications can be related land, water and resource management activities affecting West Point First Nation land use areas. Other MVLWB notification can be related to land, water and resource management activities outside West Point First Nation land use areas, such as receiving notifications for Inuvik. Receiving multiple daily notifications from the MVLWB is affecting an Indigenous Government's ability to effectively participate in reviewing MVLWB notifications related to land, water and resource management activities affecting their land use areas.*

#### WPFN Written Submission

This volume of submissions results in situations where Indigenous governments are forced to triage without having full knowledge of which submissions are the most central to their interests. Limited environmental staffing makes it difficult to manage the volume of regulatory communications, leading to prioritization of known files, such as LWB applications. This can delay engagement on new projects, reducing opportunities to provide input early in the process. In the most serious cases, Indigenous governments have missed opportunities to engage early with proponents during preliminary screening phases of the application processes.

Additionally, consideration must be given to constraints that arise from both lack of capacity in terms of human resources, but also the seasonal practices and traditional land uses of Indigenous peoples that can alter their capacity to respond at certain times of the year. Availability and capacity within the community are often reduced during key seasonal periods such as fall and spring hunts, summer, and the winter road season, when many members are on the land or engaged in essential family and cultural activities. These cycles make it difficult to secure quorum for Chief and Council, delaying important decisions and affecting the community's ability to respond swiftly to



regulatory matters. Similarly, community engagement—particularly with Elders, youth, and Cultural Knowledge Holders—is more difficult during these times, presenting challenges in the timely collection and integration of Traditional Knowledge, which is vital to responsible stewardship and decision-making.

Alternatives North notes in its submission that while it supports comments made by the LWBs regarding the IRMA Program, its focus is on public participation. Currently, the Northern Participant Funding Program applies only to environmental assessments and does not extend to land and water regulatory processes. The program remains underdeveloped, with unclear guidelines and limited accessibility for NGOs and the public. Additionally, NGOs have been excluded from several co-management initiatives, including the MVOD, as well as from GNWT-led regulatory and legislative processes—an ongoing concern previously raised in committee reports, such as the SCEDE report on Bill 74 (*Forest Act*).

Committee wishes to highlight that public participation, transparency and accountability are fundamental to the regulatory process. Committee stresses the need for improved public participation in all environmental management processes and development decisions under the MVRMA based on the recommendations from these previous submissions and reports.

Committee therefore presents the following three recommendations to improve staffing and human resources capacity:

**Recommendation 11:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories increase the number of secondments to Indigenous governments and communities to increase capacity in environmental, technical, resource development and regulatory fields.

**Recommendation 12:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories provide greater investments and partnerships with Indigenous governments to develop long-term capacity building programs for Indigenous governments that include:

- Creating dedicated funding streams for training and professional development in regulatory, environmental, and technical fields.

- Supporting more internships, apprenticeships, and mentorships with regulatory agencies or Indigenous organizations.
- Promoting post-secondary scholarships and bursaries in relevant disciplines like environmental science, engineering, law, or land management and ensuring that local institutions such as Aurora College are able to provide high quality education in these fields.
- Partner with Indigenous governments in developing community-led training programs while also involving local knowledge holders and Elders to ensure the training is culturally appropriate.

## Funding

Committee notes that every presentation and written submission stated that inadequate funding is a significant barrier to community capacity for participation. The presentations and written submissions highlighted three major funding sources: the GNWT's Interim Resource Management Assistance Program (IRMA), the federal government's Northern Participant Funding (NPF) Program, and the Northern Regulatory Initiative (NRI), also with the Federal government.

Committee heard that IRMA funding can be inadequate to meet the needs of some Indigenous groups. We heard that the current per capita funding model does not reflect actual financial requirements and fails to cover essential costs such as staffing, travel, technical expertise, and report development. As a result, Indigenous governments shared that they may not be able to participate in consultations, respond to MVLWB notifications or fully participate in regulatory processes thus undermining the ability for an Indigenous government or community to fully advocate for its interests in land and resource management.

Committee also heard from numerous sources that the IRMA funding model, although an important funding stream, is problematic in how it is disbursed. Because IRMA funding is allocated on a year-to-year basis, recipients face difficulty retaining staff. The lack of multi-year funding leads to high turnover, loss of trained personnel, and recurring capacity gaps. Stable, multi-year funding is critical to support long-term capacity development.

The NPF Program supports Indigenous governments, organizations, and Northerners in participating meaningfully in impact assessment processes under land claim

agreements across the territories. In 2023, the program was expanded to include participation in regulatory processes; however, funding for this new component remains limited.

CIRNAC presented on the NRI in their public briefing, noting that NRI will provide \$40 million over 7 years to support Northern regulatory processes. Although in its infancy, Committee heard that there may be an opportunity to leverage some of this funding for a number of NWT initiatives as well as feed into secondments and capacity building for Indigenous governments and the GNWT, although the full potential and reach of these funds is not clear.

Considering the consistent and widespread concerns raised throughout Committee's review, it is evident that current funding mechanisms are not meeting the needs of Indigenous governments and organizations in the NWT. The limitations of existing programs—particularly the inadequate and unstable nature of IRMA funding, the restricted scope of the NPF program, and the early-stage development of the NRI—underscore a critical gap in support for meaningful Indigenous participation in regulatory and consultation processes. Without reliable, adequate, and multi-year funding, Indigenous governments are left at a disadvantage, unable to fully engage in decisions that directly affect their lands, resources, and communities.

If the GNWT is serious about improving the regulatory framework, it must demonstrate that commitment by allocating adequate resources without delay. Meaningful progress will not be possible without dedicated staffing, sustained funding, and the internal capacity required to implement reforms effectively and support all participants in the regulatory system. Consequently, Committee makes the following four recommendations with respect to funding:

**Recommendation 13:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories change the Interim Resource Management Assistance Program funding model from providing annual funding to providing stable multi-year funding to enable Indigenous governments to attract and retain high quality staff.

**Recommendation 14:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories prioritize and enhance efforts to increase capacity funding for Indigenous governments and

organizations, advocating for this as part of the updated federal engagement strategy and provide a public status update.

**Recommendation 15:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories work with the federal government to clarify how the Northern Regulatory Initiative (NRI) can be used to strengthen capacity in the Northwest Territories and provide clear guidance to eligible parties on how to access this funding.

**Recommendation 16:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories provide new dedicated capacity funding to support meaningful participation by community governments, non-governmental organizations, and members of the public in regulatory processes under the *Mackenzie Valley Resource Management Act* (MVRMA). Committee further recommends that the GNWT ensure these groups are consistently included and invited to participate in relevant discussions, so their knowledge and expertise can contribute to decision-making processes, and to share publicly how they will do so and how improvement will be measured.

## Timelines

Committee's review highlights challenges with timelines, although there are opposing perspectives. Submissions from Indigenous governments note that the regulatory framework has established increasingly tight timelines to provide assurances to proponents and developers that permitting will occur within a reasonable timeframe. This timeline limits the ability of their regulatory offices to review, process, discuss, develop recommendations, and put a meaningful submission together for the MVLWB. Conversely, the Chamber of Mines and the exploration companies we heard from are concerned that timelines are too long, which may cause companies to miss critical construction and development milestones.

Committee is of the view that improvements to capacity and funding for Indigenous governments and communities—alongside efforts to enhance clarity within the regulatory system, reduce departmental siloing, and ensure that proponents receive consistent information and support throughout the regulatory process—will collectively have a significant positive impact on timelines.

For this reason, Committee will not make additional recommendations specifically related to regulatory timelines, as it believes that addressing these underlying structural issues will be the most effective way to achieve timely, efficient, and inclusive regulatory outcomes.

## **Recommendations of the 2020 Northwest Territories Environmental Audit**

Section 148(1) of the *Mackenzie Valley Resource Management Act* (MVRMA) mandates that environmental audits be carried out in the Mackenzie Valley at least once every five years. These audits are also legal commitments under the Sahtú, Gwich'in, and Tłıchq Land Claim Agreements.

Environmental Audits were previously conducted in 2005, 2010, and 2015. While the next Environmental Audit is expected in 2025, the 2020 NWT Environmental Audit<sup>xiv</sup> offered a territory-wide assessment, encompassing both the Mackenzie Valley and the Inuvialuit Settlement Region (ISR). It evaluated key areas including: (a) the use of environmental trend data—particularly on water quality and quantity—in decision-making; (b) the effectiveness of cumulative impact monitoring; (c) the functionality of the Mackenzie Valley regulatory system (excluding the ISR); and (d) the responsiveness of parties to recommendations from previous audits.

The Audit ultimately found that the GNWT is not meeting expectations in several foundational areas, including land use planning, community engagement, finalizing land claims, and supporting community well-being. Of particular concern, many of the 40 recommendations issued to the GNWT and the Land and Water Boards were carried over from the 2015 Audit, signaling a persistent failure to act.

Committee heard repeatedly from participants urging the GNWT to fully implement the 2020 Audit recommendations, and indeed, many of the themes explored through Committee's study, and its recommendations, are duplicative of the Audit findings. Had the GNWT addressed the Audit's findings with the necessary gravity and acted on its recommendations, much of the work prompting this Committee Report might have been unnecessary.

The lack of implementation not only undermines the integrity of the Audit process but also erodes trust in the government's commitment to effective environmental

management and regulatory improvement. Therefore, Committee makes the following recommendation:

**Recommendation 17:** The Standing Committee on Economic Development and Environment recommends that the GNWT fully implement all recommendations outlined in the 2020 NWT Environmental Audit, and provide a comprehensive, public written update to Committee that includes:

1. The current status of implementation for each Audit recommendation, clearly indicating which have been completed, are in progress, or remain outstanding;
2. Timelines for the completion of each outstanding recommendation;
3. A detailed rationale for any delays or deviations from any original implementation plans that were developed;
4. An estimate of associated costs and human resources for implementing each recommendation, including any future projected expenditures; and
5. A clear and actionable plan outlining how the government intends to address all outstanding Audit recommendations, including assigned departmental responsibilities, expected outcomes, and measures to track progress.

**Recommendation 18:** The Standing Committee on Economic Development and Environment recommends that when the 2025 Environmental Audit is published, the Government of the Northwest Territories formulate a comprehensive update to Recommendation 17 in this Committee Report that includes a detailed response plan with associated resources and to provide that response within one year.

## **Mackenzie Valley Operational Dialogue**

Similar to the recommendations of the 2020 NWT Environmental Audit, Committee notes that the recommendations and work done through the MVOD remains largely unfinished, although Committee notes that some of the working groups have made progress on some issues.

Committee agrees with the MVOD recommendations, noting that many are duplicative of the Environmental Audit findings, and therefore presents the following recommendation:

**Recommendation 20:** The Standing Committee on Economic Development and Environment recommends that the GNWT fully implement all recommendations outlined in the Mackenzie Valley Operational Dialogue, and provide a comprehensive, public written update to the Committee that includes:

1. The current status of implementation for each MVOD recommendation, clearly indicating which have been completed, are in progress, or remain outstanding;
2. Timelines for the completion of each outstanding recommendation;
3. A detailed rationale for any delays or deviations from any original implementation plans that were developed;
4. An estimate of associated costs and human resources for implementing each recommendation, including any future projected expenditures; and
5. A clear and actionable plan outlining how the government intends to address all outstanding MVOD recommendations, including assigned departmental responsibilities, expected outcomes, and measures to track progress.

## COMMITTEE OBSERVATIONS

In addition to the themes where Committee has identified the opportunity to make recommendations to the GNWT, there are a number of additional observations that we noted in our review and wish to highlight.

### Overarching Context of the Mackenzie Valley Resources Management Act

Committee has noted challenges regarding the continued application of the MVRMA, a piece of federal legislation, in the context of the post-devolution governance framework in the NWT. Participants in our study, as well as others, have noted that greater territorial control over the legislation and associated regulatory frameworks could enhance the GNWT's ability to manage resources and build more direct and responsive relationships with Indigenous governments as they manage their traditional territories – all key components of reconciliation if done properly.

At the same time, Indigenous governments noted in their submissions that ongoing implementation and evolution of the MVRMA framework is also necessary.

*“... the co-management system was our people’s way of making sure that we had continued ability to make decisions, no matter what change was coming our way, on the lands that our people have*

*depended on since time immemorial. The significance of what that means to Tłıchq people, and probably to other Indigenous groups—for non-Indigenous people doing these roles in government, I’m certain that is a steep learning curve. Even if you are committed to reconciliation and good Indigenous relations, it’s a really important point to understand how important the decisions that government makes in developing regulations, policies, and laws trickles down and has impacts on our families.*

*There’s still a lot more work to do to ensure that every department, every level of government... [acknowledges the] significance of the role of Indigenous governments, that these are Indigenous lands, that the role of GNWT will evolve in the future over time.” Tłıchq Government Public Briefing, October 11, 2024.*

While Committee acknowledges that changes to federal legislation such as the MVRMA fall outside the scope of this study’s mandate, we recognize the significance of the issues raised and the need for ongoing improvement. The observation underscores the evolving governance landscape in the North and highlights a need for ongoing dialogue between federal, territorial, and Indigenous governments regarding legislative alignment in a post-devolution, reconciliation context. Committee flags this issue for further consideration and transparent discussion by the appropriate authorities.

### **Engagement and Meaningful Participation is Constrained by Unsettled Land Claims**

Committee has heard from Indigenous governments and communities that unsettled land claims and incomplete self-government agreements significantly limit their ability to meaningfully participate in regulatory processes. Unsettled land claims and incomplete self-government agreements are beyond the scope of Committee’s review, although we recognize their outsized importance and implications for Indigenous governments in providing further clarity and certainty, as well as furthering reconciliation.

The broader regulatory framework under the MVRMA is designed to ensure that all land and water uses in the Mackenzie Valley are managed responsibly, with due regard



for environmental, social, cultural, and economic well-being, as well as the rights and way of life of Indigenous peoples. The structure of the framework provides an orderly and integrated process for land and resource management decision-making including:

1. Land Use Plans (LUPs) establish clear guidance on what types of development can occur, where they can occur, and under what conditions—including requirements for local engagement. LUPs also play a central role in managing cumulative effects and in protecting areas of high Indigenous cultural or ecological value.
2. Land and Water Boards assess specific applications and impose enforceable conditions to ensure compliance with LUPs and to safeguard public and environmental interests.
3. Environmental Assessments and Environmental Impact Reviews act as an additional layer of scrutiny for projects that may have broader impacts on Indigenous rights, heritage, or regional sustainability.

Together, these components are intended to give Indigenous governments and local residents confidence that their interests will be meaningfully integrated into the regulatory process and carried through to final decision-making.

However, Committee heard from impacted Indigenous governments who are in regions without settled land claim agreements or self-government agreements, where no land use planning boards have been established, and no land use plans are in place. This results in a critical gap in the regulatory process—removing an important mechanism for incorporating Indigenous perspectives and values into early decision-making. Without a land use plan to guide development and inform subsequent regulatory reviews, key social, cultural, and economic considerations are not given the same weight or procedural protection, weakening the integrity of the co-management system.

## **Cumulative Effects Management**

Committee consistently heard concerns that the current regulatory review process under the MVRMA is not adequately equipped to assess and manage cumulative environmental effects across multiple land and water permits within Traditional Territories. While cumulative effects are acknowledged within the existing framework, the mechanisms for their effective evaluation and mitigation remain underdeveloped.

This concern, echoed in the 2020 NWT Environmental Audit, highlights the pressing need for the GNWT to respond meaningfully and in a timely manner to Audit recommendations. Indigenous governments emphasized the limitations of the current

system in accounting for landscape fragmentation, project interactions, and the combined impacts of climate change, contaminant migration, and regional socio-environmental pressures. Furthermore, Committee notes that enhancing public access and participation in regulatory processes was identified as a key strategy to improve the recognition and consideration of cumulative effects. Committee also observes that the GNWT's current approach to integrating climate change into regulatory decisions appears insufficient.

There remains a critical need for improved tools, methodologies, and institutional capacity to support the effective assessment and management of cumulative environmental effects—particularly in a manner that reflects Indigenous rights, stewardship responsibilities, and the principles of long-term environmental sustainability.

### **Legislative and Regulatory Issues: Perceived Duplication and Uncertainty in Financial Security and Surface Lease Processes**

During Committee's review, proponents described the current approach to financial security as creating uncertainty. There is a perception that after completing a comprehensive, transparent process with the LWBs—where reclamation requirements are assessed, evidence is reviewed, and security amounts are set—they may face additional requests for information (supplemental to board processes) from the GNWT when applying for surface leases.

*One example, brought forward by the Chamber of Mines in their presentation, is about surface leases for mines. After undergoing a robust environmental assessment and licensing process, which could span years and involve just about every affected party, they get to the GNWT for a surface lease. They're basically told, "That was nice, but now we need to do this again." I can imagine how frustrating that is. For our part, we are aware of duplicative regulatory requirements between leases, permits, and licenses. We require management plans in our authorizations, but those don't always match the requirements for leases. Security deposits are also required for most of our authorizations, and the GNWT can set security for leases. For proponents, it's unclear who will duplicate what and how, creating uncertainty. LWB Public Presentation, July 10, 2024*

This layered approach creates uncertainty and can undermine confidence in the regulatory system, particularly when there seems to be a lack of transparency and understanding by proponents of what the requirements are or how they will be applied for securities.

Committee also heard concerns that the GNWT's surface lease process seems to duplicate regulatory functions already addressed through the LWB's processes. Stakeholders and one of the Indigenous governments reported that environmental and reclamation conditions are sometimes reintroduced in contractual lease negotiations, despite already being regulated through the board process. This perceived duplication is viewed as counterproductive and contrary to the principles of the integrated co-management regime established under modern treaties.

Furthermore, industry representatives expressed concern about the extent of ministerial discretion in the lease approval process. In some cases, significant time and financial resources have been invested—sometimes over \$100,000—into negotiating leases, only for operations to remain vulnerable to delays or cancellations due to discretionary decisions. This uncertainty can affect project financing and timelines, especially when leases are a prerequisite for securing funding at the operational stage.

These observations underscore the need for greater coordination, transparency, and clarity of roles between the GNWT and the LWBs. It is important that regulatory responsibilities, requirements across the project lifecycle, and expectations are clearly defined and communicated publicly.

Committee further notes growing concern regarding the development of requirements and regulations related to financial security, reclamation, land leases, and other land tenure instruments. Specifically, there is apprehension that these frameworks are being developed without public transparency or engagement, despite previous commitments by the responsible departments.<sup>xv</sup> Committee considers the absence of meaningful consultation to be unacceptable and is committed to a more detailed examination of these issues. Committee intends to undertake public hearings on this matter during the 20th Legislative Assembly.

## **Indigenous Values and Traditional Knowledge**

Committee heard that, while the MVEIRB and the LWBs are mandated to consider socio-economic and Indigenous interests during preliminary screenings, the structure

and timelines of the current permitting process can constrain meaningful engagement and the integration of Indigenous concerns. Unless a full Environmental Assessment where significant impacts are anticipated there are limited mechanisms to ensure that socio-economic and cultural impacts are addressed or mitigated through enforceable conditions.

This is particularly problematic for Indigenous governments such as the Samba K'e First Nation, who are raising broad and deeply rooted concerns—ranging from cultural protection to community health—under a regulatory framework primarily focused on water use and waste deposition. Many of these concerns fall outside the MVLWB's jurisdiction, forcing Indigenous communities to rely on the voluntary cooperation of proponents.

Committee observes that while traditional knowledge is recognized under section 60.1 of the MVRMA, in practice, participants find its meaningful inclusion is hindered by compressed review timelines and limited capacity. The current permitting process does not provide adequate time for communities to conduct internal reviews, hold community consultations, analyze findings, and obtain leadership approvals. As a result, Indigenous knowledge and perspectives—though acknowledged in principle—are not being consistently or effectively integrated into project assessments.

### **Recommendations of the 2020 Northwest Territories Environmental 2025 Northwest Territories Environmental Audit**

Committee observes that the 2025 Northwest Territories Environmental Audit report is scheduled to be released in June 2025.<sup>xvi</sup> Pursuant to the findings of the 2025 Audit, Committee may wish to do further work on this matter, including making additional recommendations to the GNWT.

## **CONCLUSION**

This concludes the Standing Committee on Economic Development and Environment *Report on the Review of Land Use Permitting and Water Licensing Regulatory Framework*.

Committee looks forward to the Government's response to these recommendations.

**Recommendation 20:** The Standing Committee on Economic Development and Environment recommends that the Government of the Northwest Territories provide a response to this report within 120 days.

## ENDNOTES

<sup>i</sup> Northwest Territories Legislative Assembly. 1<sup>st</sup> Session, Day 41, 20<sup>th</sup> Legislative Assembly. Hansard, February 10, 2025: Pages 1657 – 1698: Question 470-20(1): page 1669. Available at:

<https://www.ntlegislativeassembly.ca/sites/default/files/hansard/2025-03/HN250210.pdf>

<sup>ii</sup> Land and Water Boards of the Mackenzie Valley. (May 28, 2024). Communication sent to the Hon. Daniel Vandal, Minister of Northern Affairs, Canada & the Hon. Jay Macdonald, Minister of Environment and Climate Change. Available at: <https://mvlwb.com/media/2037/download?inline>

<sup>iii</sup> <https://cabinradio.ca/93498/news/economy/permit-delays-discourage-nwt-mining-investment-report-suggests/>

<sup>iv</sup> Mackenzie Valley Operational Dialogue. Mackenzie Valley Land and Water Board External Initiatives: <https://mvlwb.com/resources/external-initiatives>

<sup>v</sup> See Mackenzie Valley Operational Dialogue. 2024.

<sup>vi</sup> 2020 Northwest Territories Environmental Audit: Technical Report. Available at:

[https://www.gov.nt.ca/ecc/sites/ecc/files/resources/2020\\_nwt\\_environmental\\_audit\\_technical\\_report\\_final.pdf](https://www.gov.nt.ca/ecc/sites/ecc/files/resources/2020_nwt_environmental_audit_technical_report_final.pdf)

<sup>vii</sup> 2015 Environmental Audit Technical Report. Available at:

[https://www.gov.nt.ca/sites/ecc/files/2015\\_nwt\\_environmental\\_audit\\_-\\_full\\_audit\\_report.pdf](https://www.gov.nt.ca/sites/ecc/files/2015_nwt_environmental_audit_-_full_audit_report.pdf)

<sup>viii</sup> Mackenzie Valley Operational Dialogue Summary Report. 2024 & 2025. Available at:

<https://mvlwb.com/media/2052/download?inline> and <https://mvlwb.com/media/2121/download?inline>

<sup>ix</sup> Land and Water Boards of the Mackenzie Valley. (May 28, 2024). Communication sent to the Hon. Daniel Vandal, Minister of Northern Affairs, Canada & the Hon. Jay Macdonald, Minister of Environment and Climate Change. Available at: <https://mvlwb.com/media/2037/download?inline>

<sup>x</sup> Land and Water Boards of the Mackenzie Valley. (May 28, 2024). Communication sent to the Hon. Daniel Vandal, Minister of Northern Affairs, Canada & the Hon. Jay Macdonald, Minister of Environment and Climate Change. Available at: <https://mvlwb.com/media/2037/download?inline>

<sup>xi</sup> LWB Letter to Deputy Minister of Environment and Natural Resources. Proposed Amendments to the Waters Act and Waters Regulations. Available at: <https://wlwb.ca/media/1650/download?inline>

<sup>xii</sup> Northwest Territories Legislative Assembly. 1<sup>st</sup> Session, Day 41, 20<sup>th</sup> Legislative Assembly. Hansard, February 10, 2025: Pages 1657 – 1698: Question 470-20(1): page 1669. Available at:

<https://www.ntlegislativeassembly.ca/sites/default/files/hansard/2025-03/HN250210.pdf>

<sup>xiii</sup> Ibid.

<sup>xiv</sup> 2020 Northwest Territories Environmental Audit: Technical Report.

<sup>xv</sup> Regulating public land in the NWT. Available at: <https://haveyoursay.nwt-tno.ca/regulating-public-land-in-the-nwt#:~:text=Overview,the%20development%20of%20the%20regulations.>

<sup>xvi</sup> ECC's website states that the final Audit report and recommendations will be released to the public in June 2025. See <https://www.gov.nt.ca/ecc/en/services/nwt-environmental-audit>

## APPENDICES

## Appendix A: Table of Issues and Recommendations

	Recommendation/Issue	Source	Response (if any)	Status
1	Federal and Territorial regulations are mirrored, but numbering does not match. Schedules from the Waters Regulations are lettered (i.e., A, B) whereas the Mackenzie Valley Federal Areas Waters Regulations are numbered (i.e., 1, 2).	LWB 2024		Not addressed
2	Issue of interpretation of undertakings.  “undertaking” means an undertaking in respect of which water is to be used or waste is to be deposited of a type set out in schedule B – the definition does not clarify whether or not the entire undertaking is included or only the water-related components. The lack of clarity also raises questions as to how security is determined.	LWB 2017		Not addressed
3	Issue of interpretation of undertakings.  Currently the Waters Regulations refer to “undertaking”, whereas the <i>Waters Act</i> refers to the “appurtenant undertaking”, which means the work described in a licence. The terminology and definitions should be consistent.	LWB 2017, 2024		Not addressed
4	Ice bridge water use.  For miscellaneous undertakings (schedule H/VIII), the direct water use criteria allows for the use of water for constructing ice bridges without a water license. However, the lack of clarity in the schedules makes it unclear if the exception still applies if a project that includes ice bridge	LWB 2017, 2024		Not addressed

	water use requires a license for other water uses. If the water use for the ice bridge is included in the total water use volume for projects that require a licence for other water uses in addition to ice bridge use, more small, miscellaneous projects (i.e., mineral exploration) will require a type A water licence instead of a type B licence.			
5	<p>Mineral exploration activities are not explicitly considered in the schedules.</p> <p>Mineral exploration is not explicitly classified as either a Mining or Milling, or an Industrial undertaking, and it does not fit the undertaking descriptions in either of these categories. LWBs have been classifying mineral exploration projects as “miscellaneous” because there is nowhere else to put them. Licensing criteria in the existing categories are not reflective of the activities associated with mineral exploration. This means these types of projects may not be appropriately regulated.</p>	LWB 2017, 2024		Not addressed
6	<p>Abandoned mine-site remediation activities are not explicitly considered in the Schedules.</p> <p>This activity is not explicitly classified as either a Mining or Milling, or an Industrial undertaking, and it does not fit the undertaking descriptions in either of these categories. LWBs have been classifying abandoned mine-site remediation projects as “miscellaneous” because there is nowhere else to put them. Licensing criteria in the existing categories are not reflective of the activities associated with abandoned mine site remediation. This means these types of projects may not be appropriately regulated.</p>	LWB 2017, 2024		Not addressed

7	<p>It is unclear if the type of licence a project requires can change over the life of the project.</p> <p>Some projects will initially exceed criteria for a type A licence, but later phases of the same project (e.g., closure and reclamation, post-closure monitoring, etc.), may only exceed criteria for a type B licence. It is unclear if a type A licence can be replaced by a type B licence when type A licensing criteria are no longer exceeded. As projects ramp down activities from operation to closure, there is not clear way to scale down the level of regulatory process required for the project. This means that more work may be done than is necessary.</p>	LWB 2017, 2024		Not addressed
8	<p>One of the criteria for needing a water licence for a camp or lodge is that it have a “capacity of more than 50 occupants per day”.</p> <p>It isn’t clear to the LWBs if this criteria applies to 50 overnight occupants or 50 day-users of the site. The LWBs have been interpreting this as 50 overnight occupants, but have been challenged in this interpretation by GNWT.</p>	LWB 2024		Not addressed
9	<p>It is unclear how the criteria are linked to potential level of environmental impact of the water use.</p> <p>For example, why was the use of 300 m<sup>3</sup>/day chosen as a criterion for a type A licence for Industrial and Miscellaneous undertakings? In some cases, the criteria also differ across the three territories. For example, if an applicant plans to use more than 300 m<sup>3</sup>/day for a Miscellaneous undertaking (like mineral exploration), they will require a type A licence in</p>	LWB 2024		Not addressed



	<p>the NWT or Nunavut but only a type B licence in the Yukon.</p> <p>LWBs have recommended that the licensing criteria should be reviewed to determine if an appropriate amount of regulatory oversight is being applied.</p>			
10	<p>Some of the criteria for indirect water use are unclear.</p> <p>Item 2(5) states that indirect water use includes “alteration of flow or storage by means of dams or dikes”. But this statement can be read two different ways: 1. “alteration of flow OR storage by means of dams or dikes” (emphasis added) 2. “alteration of flow or storage BY MEANS of dams or dikes” (emphasis added) The difference between alteration of flow (item 2(5)) and a diversion (item 2(4)) is also unclear, since a diversion could involve altering flow, potentially via dams or dikes. This means that depending on the interpretation, many more projects could require a type A licence. The interpretation also affects water use fees since diversions don’t require fees (if the water isn’t used for other purposes).</p> <p>The LWBs have noted it would be helpful to clarify the intent of and distinction between these indirect water use criteria.</p>	LWB 2024		
11	<p>There are discrepancies between fees for water water licenses (\$30) and land use permits (\$150).</p> <p>The LWBs and Alternatives North have recommended that fees be reviewed to</p>	LWB 2024; AN 2024		

	<p>determine if the amounts continue to be appropriate. Water use fee amounts listed in subsection 8(1) of the Waters Regulations and 9(1) of the MVFAWR are likely out of date. It is unclear if fees should be paid for volumes less than threshold (e.g., 30m<sup>3</sup>/day) if the project only exceeds licensing criteria for a deposit of waste.</p> <p>Subsection 8(5) of the Waters Regulations and 9(5) of the MVFAWR says that no fees are payable if “a diversion of water if the water is not otherwise used.” The difference between a diversion and alteration of flow is not clear. For example, it is unclear if activities such as lake drawdown or pit refilling/reconnection for diamond mines are a diversion or an alteration of flow.</p> <p>LWBs have not charged fees for lake drawdowns or underground dewatering –if parties believe that fees should be charged, it means thousands of dollars of government revenue has been missed</p>			
12	<p>In some cases, companies do not update the Boards about when the name of their company has changed. It is important for the Boards to have this information to ensure authorizations are updated. It is recommended that the legislation is clear about name change requirements.</p>	LWB 2017		
13	<p>Addressing administrative challenges: Water use</p> <p>In 2020, the Land and Water Boards (LWBs) became aware that water uses, where the water is returned to the same water source, were being</p>	MVOD 2024	<p>Progress: The LWB clarified their interpretation of the definition through a water use reference bulletin. Information used to develop the reference bulletin included public review inputs of LWB’s</p>	<p>Opportunity: Present evidence and potential revised interpretation to</p>

	regulated differently in the Mackenzie Valley than in Nunavut (even though the definition of water use in the legislation is the same). At issue is whether the volume of water being used for building ice-bridges is factored in the determination of need for a Type A or B water licence.		interpretation and potential changes as well as LWB counsel's analysis of review comments. LWBs received many comments from representatives of federal, territorial, and Indigenous governments as well as industry via their Online Review System. Almost all parties who responded recognized and supported the need to amend the water regulations and all parties supported the exclusion of ice-bridge water use from the determination of the need of a Type A or B water licence.	the Full Board for decision in early July 2024.
14	<p>Addressing administrative challenges: Indigenous Engagement</p> <p>Industry expressed lack of clarity on engagement requirements for regulatory processes and outdated engagement group contact lists. Licence/permit applicants feel that this affects their ability to engage prior to making their applications, causing delays in the regulatory process.</p>	MVOD 2024	<p>Progress: In 2023, the LWBs started the process of updating their Engagement Guidelines, informed by gathering input from communities. Community engagement sessions have taken place so far in Łı́ıdlıı Kúę and Gameti. LWBs released a 'What We Heard' report, including potential conceptual changes to guidelines. This report will be sent for public review and input before LWBs further update guidelines, conduct public review, and make decisions. The LWBs are also engaging on the possibility of an interactive online engagement mapping tool to be available on the LWB's websites.</p>	<p>Opportunity: Continuation of community engagement sessions through Tea and Talks in the various regions of the Mackenzie Valley. Development of interactive online engagement tool.</p>
15	<p>Addressing administrative challenges: Definition of small-scale projects</p> <p>Industry representatives have found that the current regulatory process does not work well for small-scale projects. Perceptions include that threshold and triggers lower over time and that</p>	MVOD 2024	<p>Progress: LWBs have dedicated more resources to understand issues and specific information that are believed to create unnecessary challenges for small-scale operators. Information is being gathered during presentations and this MVOD meeting to inform solutions. A</p>	<p>Opportunity: Information/ideas gathered at this MVOD meeting will help inform perspectives and</p>

	parties do not understand what small-scale projects involve. The current legislation does not contain a definition of 'small-scale' and the current water regulations do not mention exploration or the co-management system.		letter was sent to GNWT and CIRNAC on focused amendments to the Water Regulations, with the full Act and its regulations to be updated later (see below under 'Consider changes to water regulations'). Industry representatives agreed on the need for a schedule in the regulations that includes a definition of small-scale exploration.	realistic solutions.
16	<p><b>Management Plans</b></p> <p>Issue: Industry representatives perceive management plan requirements as onerous and a hurdle to the application process. Questions have also been raised about whether it is possible to replace at least some management plans with requirements within the terms and conditions of licences/permits.</p>	MVOD 2024	Progress: Small-scale projects tend to be unique, making it difficult to develop a standard template; however, LWBs are investigating the possibility that templates could be developed for small drilling/exploration projects that do not require a water licence. Clarification was provided that not all applications require full plans depending on the operation; for example, if there is minimal waste generated, waste management plans can be captured within the land use permit template itself.	Opportunity: Information/ideas gathered at this MVOD meeting may help further progress this topic.
17	<p><b>Consider changes to Waters Regulations</b></p> <p>Issue: During the 2023 virtual MVOD touchstone meeting, ideas were presented around the areas of the waters regulations (Waters Regulations under the Waters Act and Mackenzie Valley Federal Areas Waters Regulations under the Mackenzie Valley Resource Management Act) that were causing operational challenges. Issues identified were project types not contemplated in the regulations, real or perceived disconnect between the amount of regulatory process required and the potential impact of some</p>	MVOD 2024	Progress: The LWBs sent a letter to GNWT and CIRNAC in May 2024 with recommendations for focused amendments to both the Waters Regulations and the Mackenzie Valley Federal Areas Waters Regulations.	Opportunity: Address targeted regulation changes now, with bigger changes to Waters Act and regulations in the future.

	regulated activities, and unclear language used for some provisions.			
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ATTACHMENT B

# 2020 Environmental Audit

## Recommendations and Responses

#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
1-1	<p>The GNWT and ASC consider a focus on climate change for the 2025 NWT Environmental Audit to test whether the Strategic Framework and Action Plan are effective and whether additional tools (regulatory or policy) need to be developed.</p> <p><i>The outcome we expect is that climate change is recognized as a core issue underlying environmental/resource management and impacts/considerations are being adequately regulated.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT and the Audit Steering Committee (ASC) agree with the intent of this recommendation and the GNWT has planned for a full independent review of the 2030 NWT Climate Change Strategic Framework and the 2019-2023 Action Plan in 2024, one year before the 2025 Audit. The GNWT will conduct a formal review of the Framework and Action Plan, including the incorporation of climate change considerations in decision-making. The findings from the review, along with emerging issues, new technologies and new opportunities, will be used to consider potential revisions to the Framework and support the development of a subsequent 2025-2029 Action Plan. To avoid duplication of effort, the GNWT and the Audit Steering Committee will not include a test of the Framework and the Action Plan as part of the terms of reference for the 2025 NWT Environmental Audit.</p>
1-2	<p>The GNWT and CIRNAC establish a process for parties to meet on a regular basis and discuss implementation opportunities and challenges with respect to the integrated system of land and water management in the Mackenzie Valley. At times, this process will need to include IGOs and industry as appropriate. We further recommend CIRNAC ensure a record of findings, actions, and outcomes are published to ensure transparency and to facilitate monitoring and auditing of progress.</p> <p><i>The outcome we expect is for a process to be established for frequent dialogue between relevant parties in order to discuss issues as they arise with the goal of fostering an integrated system of land and water management.</i></p>	GNWT CIRNAC	<p><b>Joint GNWT-CIRNAC Response:</b> In responding to this recommendation, the GNWT and CIRNAC have engaged with officials of the Land and Water Boards of the Mackenzie Valley, the Mackenzie Valley Environmental Impact Review Board, and the Canadian Northern Economic Development Agency's Northern Projects Management Office.</p> <p>There are several processes currently in place for parties to meet on a regular basis and discuss implementation opportunities and challenges with respect to the integrated system of land and water management in the Mackenzie Valley. These processes include the annual Mackenzie Valley resource co-management workshops; regular process discussions among federal, territorial, and resource management board staff; the recently launched Mackenzie Valley Regulatory Dialogue; and other processes as requested or required.</p> <p>Final reports for some of these initiatives are already, or will be, prepared and shared with participants in resource management processes. Resource management boards often make final reports publicly available on their websites. GNWT and CIRNAC commit to exploring, with boards, Indigenous governments, proponents, and others, how the findings, actions and outcomes of existing dialogue processes can be more effectively shared to facilitate transparency and monitoring and auditing of progress.</p> <p>GNWT and CIRNAC also commit to exploring, with other parties, if any new dialogue processes should be established in response to this recommendation.</p>
1-3	<p>Organizations/departments with a mandate for monitoring and mitigating community well-being work together to make their efforts complementary by developing a common agenda for their goals with a set of shared measures or indicators, and a plan for making results available to decision-makers during the EA and regulatory phases of projects.</p> <p><i>The outcome we expect is that community well-being is monitored consistently, and the results are used to inform and improve regulatory decision-making.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with this recommendation. The GNWT recognizes the importance of monitoring and mitigating community well-being and making results available to decision-makers during the environmental assessment (EA) and regulatory phases of projects. There are several GNWT departments who have a role in monitoring community well-being and mitigating impacts, and agree that opportunities exist to improve how data is collected by the GNWT. Building on this recommendation and those from previous environmental audits, a socio-economic forum is scheduled for the fall of 2022, which will host representatives from the mining industry, Indigenous governments, and the GNWT to identify ways to work together to increase the socio-economic benefits from resource development, focusing on accountability for both the GNWT and industry. The GNWT will continue to look for opportunities to work with communities in order to develop appropriate monitoring programs.</p>
1-4	<p>The GNWT refresh its NWT Mineral Development Strategy with the express goal of demonstrating unity in messaging and approach. Opening statements from the Premier, the Minister, and the Chamber of Mines should be enhanced by messaging from IGOs.</p> <p><i>The outcome we expect is that the GNWT, Indigenous governments and boards work together to create common messaging and an approach related to responsible mineral development in the NWT. Further, we expect the topics and the overall approach described in the new Mineral Development Strategy to address some of the raised needs of industry about the regulatory system. Finally, we expect this exercise should be informed by outcomes from our recommendation in Section 1.3.2.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with this recommendation. The GNWT is working towards refreshing the Mineral Development Strategy in order to ensure that the Strategy reflect the current state of the mining industry and the post-Devolution NWT context. Engagement activities are planned to occur in 2020-21 and will focus on engaging with Indigenous governments and organizations and community members that are connected in current/ planned mining projects as well as partner organizations that support mining initiatives in the regions to ensure that clear, consistent messaging between the GNWT and IGOs is reflected in the refreshed Strategy.</p>

#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
1-5	<p>The GNWT include a section in the Mineral Development Strategy describing aspects of the regulatory system that are important to industry such as clarity on timelines and regulatory improvements that are felt to be limiting mineral development. This may require engagement with a range of regulators including the LWBs to ensure the accuracy of any messages or conclusions.</p> <p><i>The outcome we expect is that the GNWT, Indigenous governments and boards work together to create common messaging and an approach related to responsible mineral development in the NWT. Further, we expect the topics and the overall approach described in the new Mineral Development Strategy to address some of the raised needs of industry about the regulatory system. Finally, we expect this exercise should be informed by outcomes from our recommendation in Section 1.3.2.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with this recommendation. As stated in the GNWT's response to Recommendation 1-4, the GNWT is working towards refreshing the Mineral Development Strategy. Revisions are anticipated to refocus the Strategy, and potentially investment, on the outcomes that will have the most meaningful impact on mineral investment and development in the NWT. This will be accomplished through focused stakeholder engagement sessions with the mineral exploration and development sector, industry associations and regulatory authorities to ensure that regulatory issues that are felt to be limiting mineral development, such as clarity on timelines and regulatory improvement opportunities, are explored to develop shared understanding and solutions.</p>
1-6	<p>The GNWT create an updated economic development strategy and regularly examine the effectiveness of this strategy against relevant measurable economic indicators such as gross domestic product, unemployment, and economic resilience.</p> <p><i>The outcome we expect is that the NWT has an economic development strategy where it monitors indicators of success, and the results of monitoring are used to improve the strategy over time.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with this recommendation. As a "living" document, the NWT Economic Opportunities Strategy (EOS) is evaluated periodically by the EOS Governance Committee and published through EOS Progress Reports to ensure that it remains current and effective throughout the course of its implementation. Many of its recommended actions are now reflected and implemented in the GNWT's core business activities and initiatives. In 2019, the GNWT created a Performance Management and Evaluation unit that develops, monitors and evaluates programs, initiatives, frameworks and strategies. Development of a renewed Strategy is expected to begin in 2024.</p>
1-7	<p>That the LWBs regularly meet with key client groups outside of specific regulatory processes to discuss opportunities and challenges with the goal of continuing to improve the regulatory system. We further recommend the LWBs use the information from these engagement sessions to inform priorities and workplans.</p> <p><i>The outcome we expect is for the LWBs to create opportunities outside of specific regulatory processes, to understand the needs of groups of proponents (e.g., mineral exploration proponents). We also expect the LWBs to consider creating guidance and products that address the expressed needs identified by proponents.</i></p>	LWB	<p><b>LWB's Response:</b> The LWBs have multiple opportunities in place for meetings and information sharing with parties involved in the permitting and licensing processes. These include:</p> <ul style="list-style-type: none"> <li>• Bi-monthly to quarterly joint meetings (joint meetings) of senior level staff from GNWT-Lands, GNWT-ENR, CIRNAC, CanNor, and MVEIRB.</li> <li>• "MVRMA in a Day" presentations are given many times each year to various parties (e.g., in 2019 there were 24 such sessions with an average of 7-8 people per meeting, with participants including GNWT Lands, ECE, Health, and ENR; DFO; ECCC; various First Nations; and independent oversight bodies).</li> <li>• For the last several years LWB staff have been key members of the organizing committee for the annual MVRMA Practitioner's workshops held in various regions of the NWT.</li> <li>• LWB staff have participated in recent tradeshow organized by GNWT-ITI through their REDI initiative.</li> <li>• In October 2018 the LWBs created and filled a Community Outreach Coordinator position. Through that position LWB staff have conducted multiple information, dialogue and training sessions in schools, at tradeshow, gatherings of Indigenous government organizations, and events held by other professional or municipal organizations (e.g., LGANT, NWTAC).</li> <li>• The LWBs are a member of the organizing committee for the Regulatory Dialogue initiative spearheaded by CIRNAC and CanNor, and focused primarily on concerns with the regulatory processes raised by industry. The first workshop is planned for mid-March 2020.</li> </ul> <p>In addition to the ongoing initiatives, in early January 2020 the LWB EDs reached out to the NWT and Nunavut Chamber of Mines to propose periodic meetings for the purpose of informal discussions on various topics of their choosing.</p>

1-7 Continued next page



#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
1-7	<p>That the LWBs regularly meet with key client groups outside of specific regulatory processes to discuss opportunities and challenges with the goal of continuing to improve the regulatory system. We further recommend the LWBs use the information from these engagement sessions to inform priorities and workplans.</p> <p><i>The outcome we expect is for the LWBs to create opportunities outside of specific regulatory processes, to understand the needs of groups of proponents (e.g., mineral exploration proponents). We also expect the LWBs to consider creating guidance and products that address the expressed needs identified by proponents.</i></p>	LWB	<p>With respect to the LWBs “creating guidance and products that address the expressed needs identified by proponents”, there are multiple examples of such guidance on the LWB websites (under the Resources tab or via the “Apply for a Permit/Licence” button). To assist all applicants, clarify expectations, and improve consistency, the LWBs have been prioritizing updates to existing guidance and development of additional guidance documents, which includes information specific to particular types of projects where appropriate:</p> <ul style="list-style-type: none"> <li>• The LWBs recently updated the permit and licence application forms, and are in the process of updating the associated guidance documents.</li> <li>• The LWBs have guidelines available for each of the management plans that are required with all applications, and these guidelines all contain templates or examples.</li> <li>• A Standard Land Use Permit Conditions Template is available, and a similar template for licences is in the process of being finalized. Additionally, applicants can access copies of permits and licences for similar types of applications on the LWBs’ public registry.</li> <li>• The LWBs and the GNWT are currently in the process of developing a Guideline for Determining Water Source Capacity in the Mackenzie Valley.</li> <li>• LWB staff are always open to participating in other opportunities for dialogue on the regulatory processes in the NWT, should another party wish to take the initiative.</li> </ul>
1-8	<p>The LWBs and the GNWT develop a standardized mineral exploration permitting bundle, in consultation with affected parties, similar to what the MVLWB has already done for municipal water licences.</p> <p><i>The outcome of such an approach would be to streamline the approval of low-risk exploration activities while maintaining the made-in-the-north environmental protection and management system operating in the Mackenzie Valley. A standardized, or “fill-in-the-blanks”, permitting bundle for low-risk mineral exploration could include such items as a draft project description, draft management plans, draft engagement plans, a draft screening report, and draft authorizations.</i></p>	GNWT LWB	<p><b>GNWT’s Response:</b> The GNWT agrees with the intent of this recommendation. The GNWT recognizes there is a growing interest by industry proponents to streamline permitting processes for low-risk, small exploration activities. The GNWT, the Government of Canada, regulators and reviewers plan to come together in a workshop in 2020 to develop shared understanding of process and content issues related to small-scale exploration regulatory applications, and identify potential solutions for joint action. GNWT ITI’s Client Services and Community Relations Unit will also continue to work with industry associations and regulatory partners at the early stages of the application process in an effort to expedite review processes, while ensuring the requirements under the Mackenzie Valley Resource Management Act are adhered to.</p> <p><b>LWB’s Response:</b> In considering this recommendation, it is important to recognize that municipal operations and mineral exploration are distinctly different types of projects. Municipal projects are stationary, affect a limited area, and, for the most part in the NWT, consist of existing operations, so potential concerns and impacts are generally already known and limited to a localized area. Mineral exploration projects are much more variable in terms of location and project area, so there is greater potential for these projects to overlap with culturally significant areas and with other land and water uses. Accordingly, there is greater potential for variability in what is considered acceptable and low risk for different projects and even within a given project boundary. It is important that each applicant provide adequate project-specific information for potentially affected parties and the LWBs to understand and assess the potential impacts of the project. Further, if a project requires a water licence, the LWBs require information regarding water sources to fulfill additional requirements under the Waters Act and MVRMA (e.g. to assess potential claims for water compensation and determine precedence).</p> <p>To assist all applicants, clarify expectations, and improve consistency, the LWBs have been prioritizing updates to existing guidance and development of additional guidance documents, which includes additional information specific to particular types of projects where appropriate:</p> <ul style="list-style-type: none"> <li>• The LWBs recently updated the permit and licence application forms and are in the process of updating the associated guidance documents. The LWBs have guidelines available for each of the management plans that are required with all applications, and these guidelines all contain templates or examples.</li> <li>• A Standard Land Use Permit Conditions Template is available, and a similar template for licences is in the process of being finalized. Additionally, applicants can access copies of permits and licences for similar types of applications on the LWBs’ public registry.</li> <li>• The LWBs and the GNWT are currently in the process of developing a Guideline for Determining Water Source Capacity in the Mackenzie Valley.</li> </ul>

1-8 Continued next page

#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
1-8	<p>The LWBs and the GNWT develop a standardized mineral exploration permitting bundle, in consultation with affected parties, similar to what the MVLWB has already done for municipal water licences.</p> <p><i>The outcome of such an approach would be to streamline the approval of low-risk exploration activities while maintaining the made-in-the-north environmental protection and management system operating in the Mackenzie Valley. A standardized, or “fill-in-the-blanks”, permitting bundle for low-risk mineral exploration could include such items as a draft project description, draft management plans, draft engagement plans, a draft screening report, and draft authorizations.</i></p>	GNWT LWB	<p>This information is applicable to all types of applications, including mineral exploration, and while the LWBs will continue to evaluate the need for development of additional general guidance on an ongoing basis, the LWBs currently have no plan to develop further guidance based on specific project types. If another party (e.g., the NWT and Nunavut Chamber of Mines or GNWT-ITI through its Client Services and Community Relations Division) was to take the initiative to build on the above noted guidance documents to develop more specific management plan templates for their members/clients, LWB staff would be available to assist and review the templates; however, it should be noted that the LWBs will continue to assess each application on a case-by-case basis and will continue to conduct their standard public review process for each application. Should applicants have questions about the application process, they are encouraged to contact LWB staff. In the longer term, the LWBs may work towards providing online applications.</p> <p>In developing the response to this recommendation, the LWBs have engaged with the GNWT.</p>
1-9	<p>The MVEIRB and the LWBs, in cooperation with other relevant regulators and affected Indigenous communities, establish, where necessary, a project TK Advisory Committee or talking circle to advise on the use of TK for the purpose of enhancing decision making of the project. Such TK committees would advise project proponents and regulators and conduct monitoring, if required, from pre-regulatory through regulatory reviews, construction, operation, and beyond as required. To be most effective, a TK Advisory Committee would need to be established as early as possible, but no later than the start of an EA, and live through to the end of the project, advising both regulators as well as the project proponent.</p> <p><i>The outcome we expect is that TK has an opportunity to be meaningfully incorporated and used in decision-making throughout the life of a project from project design, through operations, and closure. Project proponents are strongly encouraged to help fund such initiatives, as it could form an important element of community engagement and increase awareness about impacts, mitigation, and best operational practices.</i></p>	LWB MVEIRB	<p><b>LWB’s Response:</b> The LWBs agree that more efforts need to be made to enhance the use of TK throughout the regulatory process. MVEIRB’s methods are an illustration of progressive solutions that incorporate community knowledge into decision making. The LWBs’ permitting and licensing processes consist of much longer and more complex relationships between project proponents, communities, and regulators. As such, instruments of partnership and collaboration are necessary between communities and proponents as the 2020 Audit suggests - through the life of the project, the regulator’s role is to promote and foster those relationships while utilizing their proceeds in its process of review. The LWBs will examine our guidelines and our reviews over the coming years to better foster these relationships and to create a respectful integrated approach.</p> <p><b>MVEIRB’s Response:</b> MVEIRB fully agrees with the desired outcome “that TK has an opportunity to be meaningfully incorporated and used in decision-making throughout the life of a project from project design, through operations, and closure” and that proponents have a role in supporting this.</p> <p>MVEIRB has been using its Guidelines for Incorporating Traditional Knowledge in Environmental Impact Assessment. The guidelines stay high level and do not prescribe TK methods - MVEIRB respects and promotes the use of local protocols for knowledge ownership and sharing, interpretation, peer review, and use in environmental impact assessment.</p> <p>In recent environmental assessments MVEIRB has used a variety of approaches to incorporating TK, based on discussion with Indigenous governments and organizations.</p> <p>In future assessments, MVEIRB will engage Indigenous governments and organizations to determine if and when a TK Advisory Committee is the preferred approach and, whatever approach is chosen, to ensure it works for the people and project being considered.</p>
1-10	<p>The GNWT and the federal departments with responsibility for engagement and consultation under the MVRMA work with their respective clients to review and improve engagement strategies.</p> <p><i>The outcome we expect is that strategies for engagement and consultation are regularly reviewed and improved as necessary.</i></p>	GNWT CIRNAC	<p><b>GNWT’s Response:</b> The GNWT agrees with this recommendation. The GNWT provides advice and resources to support the pro-active, coordinated and consistent government-wide approach to Aboriginal consultation and engagement with Indigenous governments. The GNWT undertakes ongoing review of its approaches to ensure consistency with the evolving case law as well as developing resources, tools and training to ensure meaningful public engagement and/or Aboriginal consultation to ensure responsible decision making, mutually respectful relationships, and to achieve reconciliation. As appropriate, the GNWT works with the Government of Canada and/or resource management boards to facilitate consistent approaches to Aboriginal consultation in the Mackenzie Valley Resource Management Act (MVRMA) and related processes.</p>

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#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
1-10	<p>The GNWT and the federal departments with responsibility for engagement and consultation under the MVRMA work with their respective clients to review and improve engagement strategies.</p> <p><i>The outcome we expect is that strategies for engagement and consultation are regularly reviewed and improved as necessary.</i></p>	GNWT CIRNAC	<p><b>CIRNAC's Response:</b> The primary mechanism used by Canada to engage with Indigenous groups and to honour the Crown's section 35 (Constitution Act) duty to consult for applications within the Mackenzie Valley is to rely on assessment and regulatory processes established under land claims agreements and the MVRMA. These processes are facilitated by the establishment of implementation plans (contracts) that flow funds to Indigenous groups to support their involvement in land and water management processes. Capacity within Indigenous organizations is further supported through the Northern Participant Funding Program (NPFP) that provides financial support when large, complex or controversial projects enter the assessment process. Implementation plans with Indigenous groups are renewed on a 10 year cycle, and the NPFP will be reviewed in 2023 with the hope of extending and expanding this program if there has been a demonstrated need.</p> <p>Canada has developed a consultation model that supplements Board processes which directly requests information relating to impacts on treaty right and provides opportunity for comments on the consultation process for projects undergoing an Environmental Assessment. Canada also reviews its approach to consultation following judicial review process relating to consultation and s. 35 rights. Currently, Canada and the territorial government are working in collaboration with the Mackenzie Valley resource co-management Boards to review engagement and consultation strategies in light of the Clyde River-Chippewas of the Thames Supreme Court Decision (Hamlet of Clyde River v Petroleum Geo-Services Inc. and Chippewas of the Thames First Nation v Enbridge Pipelines Inc.). Finally, Canada actively participates in the MVRMA Audit process, which provides an opportunity for third party review of MVRMA process including engagement and consultation strategies. As the Boards update their consultation and engagement policy and guidelines, the federal government has expressed interest in participating in these initiatives and will be looking for any comments or recommendations on how the federal government can improve their involvement and processes.</p> <p>The federal government will continue to review and look for ways to improve their engagement strategies. With the passage of Bill C-88, the federal government has the authority to develop consultation regulations, should resource management partners view this as a priority.</p>
1-11	<p>The MVLWB re-examine its engagement process and enhance the process where appropriate to better detect emerging public concerns and to adapt their plan for engagement as required.</p> <p><i>The outcome we expect is for MVLWB to be aware of community issues prior to hearings.</i></p>	LWB	<p><b>LWB's Response:</b> The LWBs are pleased to note that the 2020 Audit found the majority of survey respondents indicated satisfaction with current engagement approaches and acknowledge the need to update policy and process to reflect lessons learned and ensure engagement with affected parties remains robust.</p> <p>The LWBs and MVEIRB are currently in the process of developing a joint engagement and consultation policy (joint policy). The purpose of this exercise is to both update the existing MVLWB Engagement and Consultation Policy to reflect experience over the past several years, incorporate emerging best practices, and expand the policy to include environmental assessment and impact review. In addition to considering past experience, the LWBs and MVEIRB are seeking input from interested parties to inform development of the joint policy. It is envisioned that the joint policy will cover the roles of the Boards, the Boards' expectations for project proponents, and the interface between Board processes and overall Crown Consultation.</p> <p>As noted in the MVLWB Policy and 2020 Audit, there are aspects of engagement and consultation which fall outside of the LWBs' jurisdiction and will be more appropriately addressed by the GNWT and federal government. The LWBs are committed to working with governments to ensure efforts regarding engagement and consultation are complimentary. The LWBs will investigate and adopt, where appropriate and feasible, practices which ensure public concerns are identified early in review processes, as noted in Recommendation 1-11.</p>
1-12	<p>The Land Use Planning Boards work with the GNWT to identify key capacity challenges and develop and implement a plan to help alleviate the identified challenges (e.g., to share administrative components amongst planning boards).</p> <p><i>The outcome we expect is that land use planning efforts are sufficiently resourced.</i></p>	GNWT SLUPB GLUPB	<p><b>GNWT's Response:</b> The GNWT agrees with this recommendation. The GNWT commits to working with the Land Use Planning Boards and the Government of Canada (as the funding body) to identify, evaluate, and work to alleviate capacity challenges of the Land Use Planning Boards.</p>

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#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
1-12	<p>The Land Use Planning Boards work with the GNWT to identify key capacity challenges and develop and implement a plan to help alleviate the identified challenges (e.g., to share administrative components amongst planning boards).</p> <p><i>The outcome we expect is that land use planning efforts are sufficiently resourced.</i></p>	GNWT SLUPB GLUPB	<p><b>SLUPB's Response:</b> SLUPB: It is the SLUPB's perspective that any work relating to addressing capacity challenges within land use planning boards should be done with the Federal Government rather than the GNWT. According to the Land Claim in section 25.1.3, it is the responsibility of the Federal Government to fund LUPBs adequately to ensure their ability to be full partners in the integrated resource management system. This includes ensuring that capacity challenges and issues are addressed and therefore, the Federal Government must be involved in any such conversations. However, the SLUPB does see a role for the GNWT in coordinating amongst the LUPBs on substantive planning issues and challenges that all regions are facing such as climate change, crossboundary issues, and training on land use planning.</p> <p><b>GLUPB's Response:</b> Key capacity challenges have already been identified as part of a land claim funding review initiated by GoC in 2016. The GLUPB and SLUPB each provided documentation to GoC of the funding levels required to alleviate capacity challenges identified by both boards. Funding increases were provided to both the SLUPB and GLUPB but did not fully meet the needs of either Board. As noted in the SLUPB response, it is the federal government that bears responsibility for adequate funding, which is the most significant ongoing challenge for both Planning Boards. The GLUPB does not see how the GNWT can do more than the Boards already do by collaboratively advocating for adequate resources from the GoC.</p> <p>Clarification on the example of "sharing administrative components amongst planning boards" is required from the auditors. The GLUPB and SLUPB have always actively sought to collaborate on common issues while respecting regional differences and will continue to do so, but these efforts have not resulted in being sufficiently resourced, so this outcome as written does not seem realistic.</p>
1-13	<p>The Land Use Planning Boards develop monitoring and evaluation frameworks for all established plans, using the Sahtu LUP as an example/template to reduce capacity challenges. We also recommend that those responsible for monitoring the environment and community well-being (e.g., GNWT ENR; GNWT ITI; GNWT Education, Culture and Employment) participate in LUP reviews and updates, at a minimum, to ensure community well-being and environmental monitoring information is considered and integrated into updated plans.</p> <p><i>The outcomes we expect are monitoring and evaluation frameworks for all established plans as well as improved integration of community well-being and environmental monitoring information into the land use planning process.</i></p>	GNWT SLUPB GLUPB CIRNAC	<p><b>GNWT's Response:</b> The GNWT agrees with the intent of this recommendation. The GNWT supports the development and implementation of monitoring and evaluation frameworks to ensure that land use plans contribute to the vision and goals of the planning regions. The GNWT will continue to participate in the regular reviews of land use plans. The GNWT will continue to engage all GNWT departments with interests or responsibilities related to land use planning, including those responsible for monitoring environmental and community well-being, throughout the review processes.</p> <p><b>SLUPB's Response:</b> The work that the SLUPB has undertaken in its 5-year review relating to monitoring and evaluation of the plan is important and some of the first of its kind in the north. The SLUPB looks forward to implementing the framework in the years to come. The SLUPB received many inquiries regarding this work from across the NWT and is keen to share learnings and outcomes as they become available. The SLUPB encourages each LUPB to develop a framework that makes sense for the context within which they work rather than using the Sahtu's framework as a template. Each planning context is different and may require different approaches and partners to ensure that plan implementation is adequately monitored. Further, the SLUPB has recognized the monitoring of community well-being as an important component of monitoring the implementation of the SLUP. However, in order to do this, the SLUPB will require significant resources beyond its current funding in order to incorporate this additional monitoring in the best way. The SLUPB is currently chronically under resourced and any additional projects or components of projects such as the one recommended must be coupled with the appropriate resources for the SLUPB in order to coordinate and monitor appropriately.</p> <p><b>GLUPB's Response:</b> The GLUPB has enquired about the SLUPB monitoring and evaluation framework and is keen to draw from the excellent work the SLUPB has done. The GLUPB will develop a monitoring and evaluation framework that gives consideration to consistency with the SLUPB one while ensuring a framework that makes sense for the Gwich'in context. The GLUPB also re-iterates the SLUPB assertion that planning boards are "currently chronically under resourced". For example, The GLUPB has identified a component of monitoring plan implementation is the need to systematically engage with regulatory authorities to review and assess conformity determinations that have been made and whether conformity is maintained through the life of a project (e.g. inspectors might grant variances to permits or licences in the field). To date, efforts have been limited because the staff are required to focus on priority activities like the plan review, legislation reviews, etc. The audit recommendation has some good components, but the expected outcome is only realistically feasible with adequate funding for the planning boards to establish and participate in their respective frameworks once developed.</p>

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1-13	<p>The Land Use Planning Boards develop monitoring and evaluation frameworks for all established plans, using the Sahtu LUP as an example/template to reduce capacity challenges. We also recommend that those responsible for monitoring the environment and community well-being (e.g., GNWT ENR; GNWT ITI; GNWT Education, Culture and Employment) participate in LUP reviews and updates, at a minimum, to ensure community well-being and environmental monitoring information is considered and integrated into updated plans.</p> <p><i>The outcomes we expect are monitoring and evaluation frameworks for all established plans as well as improved integration of community well-being and environmental monitoring information into the land use planning process.</i></p>	GNWT SLUPB GLUPB CIRNAC	<p><b>CIRNAC's Response:</b> Canada supports this recommendation and recognizes that the SLUPB has made good progress on developing such a framework, but it is likely too early and too prescriptive to advise that all Land Use Planning Boards follow this model. Monitoring and evaluation are key considerations during plan review and this information should be incorporated into plan updates as necessary, Land Use Planning Boards should be given latitude to determine how best to design monitoring frameworks, incorporating feedback from federal, territorial and Indigenous governments and local communities and taking existing monitoring programs within the planning area into consideration.</p>
1-14	<p>The GNWT and the GoC work collaboratively to adequately fund land use pre-planning/planning activities in regions without settled land claims; it is incumbent on the GNWT and the GoC to adequately fund this process in these areas.</p> <p><i>The outcome we expect is that the process for development of new LUPs is adequately and consistently resourced.</i></p>	GNWT CIRNAC	<p><b>GNWT's Response:</b> The GNWT agrees with the intent of this recommendation. The GNWT agrees that work to conduct land use planning on public lands in unsettled regions of the NWT requires appropriate in-kind and financial support from the GNWT and Government of Canada (GoC), and commits to having discussions with the Government of Canada regarding appropriate resourcing for these initiatives.</p> <p><b>CIRNAC's Response:</b> CIRNAC commits to working with GNWT to search for funding to support planning activities in areas with unsettled land claims and continues to actively participate in the existing initiatives in these areas mentioned in the report.</p>
1-15	<p>The GNWT offer training for LUP implementation to the broader NWT community responsible for LUP implementation and monitoring, namely the LWBs, Land Use Planning Boards, and all regulators responsible for conformance authorizations.</p> <p><i>The outcome we expect is that appropriate training is available both for land use planners as well as others responsible for LUP implementation and monitoring.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with this recommendation. The GNWT delivers land use plan implementation training internally to GNWT regulators to support effective land use plan implementation. The GNWT supports the delivery of land use plan implementation training to all regulators responsible for conformity in the issuance of permits, licenses and authorizations. As guidance on the implementation of land use plans is the responsibility of the Land Use Planning Boards, the GNWT is interested in partnering with the Land Use Planning Boards to extend and adapt the GNWT's existing training to the broader NWT regulatory community responsible for implementation (including the Land and Water Boards [LWBs]).</p>
1-16	<p>The LWBs seek to develop a participant funding program, funded by the federal and territorial governments, to support regulatory decisions within its jurisdiction. The funding would provide capacity support to Indigenous parties requiring assistance to participate in the regulatory process, as well as technical support.</p> <p><i>The outcome we expect is that Indigenous parties have adequate resources to meaningfully participate in licensing/permitting processes. In the interim, and until such time as a capacity funding program can be developed, we encourage the GNWT provide staff services (in-kind support) to provide technical advice and information to interested Indigenous parties in order to allow Indigenous parties to understand the project impacts and potential mitigations for development of recommendations to the LWBs.</i></p>	GNWT LWB CIRNAC	<p><b>GNWT's Response:</b> The GNWT agrees with the intent of this recommendation. The GNWT was glad to see the federal government establish the Northern Participant Funding Program in 2019. The GNWT supports participant funding for regulatory processes and is of the opinion the recommendation should be directed solely to Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) as the responsibility for the Mackenzie Valley Resource Management Act remains a federal responsibility.</p> <p>Where possible, the GNWT provides in-kind support to interested Indigenous parties and will continue to do so. The GNWT is of the opinion that the recommendation to provide in-kind support should also be directed to the federal government, in relation to federal mandates and responsibilities.</p>

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1-16	<p>The LWBs seek to develop a participant funding program, funded by the federal and territorial governments, to support regulatory decisions within its jurisdiction. The funding would provide capacity support to Indigenous parties requiring assistance to participate in the regulatory process, as well as technical support.</p> <p><i>The outcome we expect is that Indigenous parties have adequate resources to meaningfully participate in licensing/permitting processes. In the interim, and until such time as a capacity funding program can be developed, we encourage the GNWT provide staff services (in-kind support) to provide technical advice and information to interested Indigenous parties in order to allow Indigenous parties to understand the project impacts and potential mitigations for development of recommendations to the LWBs.</i></p>	GNWT LWB CIRNAC	<p><b>LWB's Response:</b> The LWBs have identified the need for a participant funding program in the past. For example, on page 11 of the 2011 MVLWB Perspectives on Regulatory Improvement in the Mackenzie Valley Paper, the LWBs state:</p> <p><i>As many parties have put forth over many years since the establishment of the MVRMA, there is a need for intervenor funding to enable affected communities and broader public participation in project reviews. This is clearly a federal responsibility. As was raised under our discussion of Crown consultation policy, there is also a need for funding to enable Aboriginal organizations to effectively participate in project reviews as it relates to their section 35 rights and interests and for increased funding to enable government agencies to effectively support Board reviews in this context, including the provision of expert legal, policy, scientific, and technical advice. Additionally, there is a need for financial, institutional, and human resource capacity for Aboriginal organizations to ensure that among other things Traditional Knowledge is effectively incorporated into decision-making processes.</i></p> <p>Recently, during the environmental assessment for Diavik Diamond Mines Inc.'s proposal to deposit kimberlite into pits and underground, parties raised the issue about the need for funding following the environmental assessment phase. To illustrate, the Łutsel K'e Dene First Nation stated in its closing arguments that, <i>"Funding should be made available for affected Indigenous governments and organizations to participate in the water licence and land use permit phase of the regulatory process in order to allow Indigenous parties [to] meaningfully participate in the entire regulatory process."</i></p> <p>However, the LWBs wish to re-iterate that a funding program, including its administration, is a responsibility held by the federal government. The LWBs are quasi-judicial decision-making bodies and as such, administering a participant funding program could 1) create a perception of bias towards groups who do or do not receive funding, and 2) become an unnecessary administrative burden on the LWBs.</p> <p>As identified in the 2020 Audit, CIRNAC has now developed the Northern Participant Funding Program to provide capacity funding for impact assessment review of major projects, and the LWBs strongly recommend that this Program be expanded to cover the LWBs' permitting and licensing process as well. This expansion of the current program would fulfill the intent of the Audit's recommendation. In developing the response to this recommendation, the LWBs have engaged with the GNWT.</p> <p><b>CIRNAC's Response:</b> In December 2018, CIRNAC announced the creation of the Northern Participant Funding Program, which supports participation in environmental assessments. In its current form it is unable to support participation in LWB or other regulatory processes and was not designed to provide additional funding to LWBs. As this new program is implemented, CIRNAC is actively seeking feedback from its partners on what needs this program does and does not meet, and may revise the program's design when it is up for renewal in 2022-23.</p>
1-17	<p>The GNWT introduce a multi-year funding envelope for a portion of the IRMA funds; this is a leading practice for grant and contribution funding programs. We also recommend that the GNWT increase the IRMA funding envelope by an incremental amount commensurate with an appropriate index, such as cost-of-living differential or inflation, in order to continue to support Indigenous organizations at a similar level year-over-year. We further recommend GNWT help facilitate coordination opportunities between applicants where appropriate, since only the GNWT as the fund manager can identify similar project proposals that may benefit from cooperation.</p> <p><i>The outcome we expect is reduced administrative requirements (with multi-year funds), adequate resources to meaningfully participate, and greater coordination and cooperation between applicants.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with the intent of this recommendation. The GNWT recognizes the importance of the Interim Resource Management Assistance (IRMA) Program to funding recipients and aims to make the funding process as efficient and effective as possible. The IRMA Program was reviewed in 2015 and improvements were implemented. The GNWT will further explore how the IRMA Program is being implemented, in consideration of this recommendation, and may conduct another review to fully inform any future decisions in regards to the IRMA Program.</p>

#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
1-18	<p>The LWBs and the inspection units of GNWT and the GoC establish a process to meet and discuss challenges and solutions with respect to the inspection regime in the Mackenzie Valley, specifically as it relates to clarifying roles and responsibilities, ensuring adequate inspector capacity, as well as timely and transparent inspections, reporting and follow-up. We further recommend boards ensure a record of findings, actions, and outcomes are published to ensure transparency and facilitate future auditing of progress.</p> <p><i>The outcome we expect is that there is a clear understanding of roles and responsibilities related to enforcement and compliance, that inspectors have the capacity and necessary tools and resources to execute these responsibilities, and that the LWBs and GNWT Inspection work together with the goal of ensuring a functioning enforcement and compliance regime for MVRMA authorizations.</i></p>	GNWT LWB CIRNAC	<p><b>GNWT's Response:</b> The GNWT agrees with this recommendation. The GNWT acknowledges the need to work with the LWBs and other federal regulating departments with inspection responsibilities under the MVRMA to improve the overall effectiveness of the NWT regulatory system including the functioning of the inspection regime. The GNWT reinforced this commitment through the recently implemented Department of Lands Ministerial Policy on compliance and enforcement. Several opportunities are already available for the GNWT and LWBs to share information and to discuss pertinent issues related to compliance and enforcement. These include: annual inspector meetings, quarterly Joint Working group meetings between GNWT Lands, GNWT ENR, CIRNAC, and each Executive Director of the LWBs, and regular informal meetings between the GNWT and the LWBs throughout the year.</p> <p><b>LWB's Response:</b> There has been an informal process in the past for the LWBs, GNWT, and CIRNAC to meet to discuss compliance and enforcement issues, including annual inspector meetings and bi-monthly to quarterly joint meetings of senior level staff from GNWT-Lands, GNWT-ENR, and CIRNAC. Last year, the Executive Directors of the LWBs met with the Assistant Deputy Ministers (ADMs) of GNWT-ENR and GNWT-Lands to discuss the roles and responsibilities of inspectors regarding the enforcement of activities that require an authorization but do not have one; and the capacity of inspectors to conduct inspections and complete inspection reports. The LWBs aim to have regular meetings with the GNWT and CIRNAC to discuss specific compliance and enforcement issues, which largely fall under the governments' jurisdiction.</p> <p>As noted in the 2020 Audit, the LWBs have expressed concern about the capacity of inspectors, particularly for water licences, to conduct inspections and complete inspection reports. The LWBs are pleased to note that according to the 2020 Audit, the GNWT has confirmed that coordination and the division of roles between GNWT Lands and ENR inspectors could use improvement to enhance clarity and effectiveness. This is particularly important for regions of the Mackenzie Valley (e.g. the Dehcho) that seem to have a shortage of Water Resource Officers.</p> <p>Regarding the need for records of findings, actions, and outcomes to be published to ensure transparency and facilitate future auditing of progress, the LWBs place every document that is received on the public registry, unless it is deemed to be confidential. Therefore, it is essential that inspection reports are submitted to the LWBs on a timely basis. The LWBs will continue to work with inspectors to ensure that these records are up-to-date and available to the public.</p> <p>In developing the response to this recommendation, the LWBs have engaged with the GNWT.</p> <p><b>CIRNAC's Response:</b> CIRNAC is committed to exploring with our territorial government counterparts, processes aimed to improve our approach to inspections and reporting across the Mackenzie Valley and will continue to invite open dialogue. We continue to support initiatives to share information, coordinate, and collaborate such as the regularly scheduled joint meetings and spill working group meetings that are currently held with partners.</p> <p>CIRNAC uses a system based on the former Inspection Reporting and Risk Assessment system (IRRA) that existed prior to devolution in our department to accomplish consistency in several areas of its inspections program. The system tracks land use permits, water licences, and leases with important dates highlighted. CIRNAC uses this tool in determining inspection frequencies through a risk based lens. It further allows for Inspectors to establish inspection plans for upcoming seasons, or future years; to track inspections completed and costs associated with inspection activities. It is the tool that Inspectors use to ensure a consistent approach to the reports generated by CIRNAC and the GNWT. It has the ability to carry forward non-compliance from one inspection to the next to ensure follow up is carried out. CIRNAC is developing a new land management system that will have the capacity to track non-compliance issues specific to land use permits based on notation in the reports completed. CIRNAC is committed to engaging with the public and the land and water boards, and to working with other federal and territorial inspection authorities to examine ways to improve already existing (and future) tools to provide for a consistent approach to inspection frequency and reporting to ensure that the information collected meets the needs of the land and water boards and the public.</p>

#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
1-19	<p>The GNWT develop and publish an overall project inspection scheme to assist regulators, the public, and permit holders in tracking of ‘unacceptable’ items from previous inspections all the way to their satisfactory conclusion and inspector sign-off. Furthermore, improvements could be made in the consistency of information collected to ensure future inspectors, the proponent, and regulators appreciate the context of an inspection. We encourage the GNWT to work with their Federal counterparts on this initiative, including CIRNAC and the Canada Energy Regulator.</p> <p><i>The outcome we expect is that the GNWT adopt a publicly viewable singular common inspection scheme, to accompany the filing of multiple disparate inspector reports. Such a scheme would have a common numbering system to label an observation, event, or location. For each observation or event, the inspector would clearly describe their observation, the compliance tool deployed (surveillance, advice, direction, etc.), a description of the specific company action required, the due date for the company action, the date that the issue is closed in the opinion of the inspector, and the reason for closing the matter. Such a reporting scheme would greatly help multiple inspectors and regulators better track progress, and would assist auditing of the inspection regime.</i></p>	GNWT CIRNAC	<p><b>GNWT’s Response:</b> The GNWT agrees with the intent of this recommendation. An Inspection Reporting and Assessment system (IRRA) is used to support inspectors and promote consistency across the GNWT. Upgrades to this system are currently in development. The GNWT is committed to engaging with the LWBs to examine ways to improve existing tools to provide for a more consistent approach to inspection frequency and reporting across the GNWT and to ensure that the information collected meets the needs of the LWBs and the public. The GNWT will include the Office of the Regulator of Oil and Gas Operations in these discussions as appropriate.</p> <p><b>CIRNAC’s Response:</b> CIRNAC is committed to working with the GNWT and other federal inspection authorities.</p>
2-1	<p>The RA to work with TK-holders to consider how best to recognize and utilize TK-based information in the evaluation of water quality and quantity trends and to develop a transparent process to guide the use of TK.</p> <p><i>The outcome we expect is that TK-based information is available and utilized in water trend analysis in a way that is compatible and respectful for TK-holders.</i></p>	GNWT	<p><b>GNWT’s Response:</b> The GNWT, as the responsible authority (RA), agrees with this recommendation and the importance of traditional knowledge in water-related assessments and decision-making. The Traditional Knowledge Policy and Implementation Framework guides GNWT work, and efforts are underway to develop a GNWT-wide Traditional Knowledge Action Plan.</p> <p>The GNWT is working with partners, including Indigenous governments and organizations, to build a meaningful, informed and culturally appropriate foundation to advance work related to traditional knowledge (TK) and water research, assessments and decision-making. This includes: a) a NWT Water Strategy Aboriginal Steering Committee which is made up of representatives from Indigenous governments, that provides strategic direction on NWT Water Strategy implementation, including the role of traditional knowledge; b) the Mackenzie River Basin Board, of which the GNWT is a member, is piloting a new approach grounded in traditional knowledge and community experience to assess the Basin’s aquatic ecosystem health for the Board’s next State of the Aquatic Ecosystem Report; c) multijurisdictional development of a framework for inclusion of TK in the bilateral water management agreement implementation; d) annual NWT Water Strategy partner meetings that bring together water partners to share ways of knowing in implementation activities; and e) support of and participation in traditional knowledge research on water and water governance, such as through the Tracking Change project led by the University of Alberta (trackingchange.ca). This ongoing work continues to inform the GNWT’s approach to the use of TK in water-related decision-making and understanding of water quality and quantity across the NWT.</p> <p>The GNWT commits to ongoing collaboration to build on this foundational work to identify and implement a meaningful, community-engaged process for ensuring TK informs water-related assessments and decision-making.</p>



#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
2-2	<p>The RA develop and/or provide descriptions of the rationale and study design for individual monitoring stations sampled by the federal and territorial government and make this information available at a central electronically-accessible location.</p> <p><i>The outcome we expect is that the network of long-term water monitoring stations in the NWT is described in a way that makes it possible to see gaps and overlaps and to understand the intent and purpose of monitoring stations.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT, as the responsible authority (RA), agrees with the intent of the recommended outcome. Water monitoring networks and programs in the NWT are operated by numerous responsible agencies and are intended to address a wide range of objectives. Status and trend reports provide information about the rationale and study design for specific programs. The GNWT will explore consolidating the rationales and study designs of its programs in a publicly informative way, such as updating an inventory of water monitoring in the NWT to include rationale and study design for each identified program. This consolidation may assist with future gap and overlap assessment.</p>
2-3	<p>The RA perform a periodic review (e.g., every five years) of the overall monitoring network in the NWT to ensure that the network is sufficient to detect and explain trends in water quality and quantity. Monitoring locations should be added or dropped with the key consideration being their maintenance over the long term. Short-term monitoring programs are of limited use unless they are intended to answer a specific question over the short term.</p> <p><i>The outcomes we expect are that water monitoring efforts are focused on stations located at sites that are representative of relevant watersheds and that can be maintained over the long term.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT, as the responsible authority (RA), agrees with this recommendation. The GNWT agrees that periodic reviews and audits of water programs are important components of the monitoring cycle to ensure that monitoring data are meeting the needs of water managers and stewards. Water monitoring in the NWT is re-examined and improved through regular network evaluations (e.g., Environment and Climate Change Canada Hydrometric Network 2014), status and trend reporting (e.g., Coppermine/ Lockhart 2015; Great Slave Lake Tributaries 2017), and frequent engagement with water partners (e.g., Water Stewardship Strategy and Aboriginal Steering Committee meetings). Monitoring programs are informed by, or designed through stakeholder input and are reviewed periodically with water partners to determine effectiveness in meeting program objectives and modified as appropriate. For example, the NWT-wide Community-based Water Quality Monitoring (CBM) program was evaluated in 2018 as part of a five-year review; a third party conducted this evaluation using feedback on program effectiveness and future improvements from multiple stakeholders.</p> <p>Data from long-term stations are essential for cumulative effects monitoring and should be maintained and enhanced through network partnerships.</p>
2-4	<p>The RA develop a lake-specific monitoring program. While there are hundreds of thousands of lakes in the NWT, reliable tracking of environmental trends could be conducted on a small subset of lakes stratified by size, watershed area and ecoregion. Ontario's Broad Scale Monitoring Program is referenced as an example of a program addressing large numbers of lakes in a systematic manner to document a) trends over time and b) the state of the resource.</p> <p><i>The outcome we expect is that long-term water trend information is available to the RA for both rivers and lakes, to provide a comprehensive picture of aquatic health.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT, as the responsible authority (RA), agrees with the intent of this recommendation. The GNWT acknowledges the importance of both river and lake monitoring to track environmental trends. The GNWT is currently leading or supporting numerous lake-specific monitoring programs in the NWT. Long-term lake monitoring is being carried out in the Coppermine and Lockhart basins and numerous lakes in the North Slave region. Short-term monitoring and research was conducted in lakes along the Inuvik to Tuktoyaktuk Highway. The GNWT is partnering with Canadian Lake Pulse Network and Environment and Climate Change Canada to expand lake monitoring in the NWT. Additionally, the GNWT will identify lake monitoring as a data gap when revising NWT Cumulative Impact Monitoring Program's Water Blueprint. Partnerships with other researchers are essential to overcome capacity and resource constraints, especially given the large number of lakes in the NWT.</p>
2-5	<p>The various large mining operations are compiling long-term (20+ years) records of water quality and biology in lakes as part of their AEMPs. These include reference lakes which document regional and climate-related changes. These records may be lost or discontinued after mines close. We recommend the GNWT consider assuming monitoring programs (or at least key stations within those programs) initiated by industry as an efficient way to build a database for lakes and rivers.</p> <p><i>The outcome we expect is that the RA curtail the loss of millions of dollars in monitoring investments made by industry and increase their ability to detect changes over the long term. Overall, the recommendations in this section are meant to support a cost-effective and focused network of long-term water monitoring stations that can produce data suitable for the detection of trends and their potential causes in key NWT watersheds.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with the intent of this recommendation. The GNWT acknowledges the importance of long-term lake and river monitoring to track environmental trends. The GNWT will continue to monitor the regulatory requirements for current mining operations, including reference lakes, and will provide input to final closure requirements when required, including long-term monitoring requirements by industry. The GNWT may consider future incorporation of these industry-led monitoring sites into the existing GNWT monitoring networks, depending on the benefits and feasibility of doing so.</p>

#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
2-6	<p>The GNWT improve the consistency and quality of trend analyses performed on available water monitoring data by implementing a consistent methodological framework for water. This would include:</p> <ol style="list-style-type: none"> <li>1. Core parameter list - Additional parameters could be included per the individual study goals, but a core list of required parameters for all monitoring in the territory would greatly increase the compatibility between data sets</li> <li>2. Consistent analytical laboratory methods and detection limits required for all core parameters</li> <li>3. Establish a statistical framework for: <ol style="list-style-type: none"> <li>a. Outlier detection and removal</li> <li>b. Censored data handling prior to or as part of trend analysis <ol style="list-style-type: none"> <li>i. Allowable percentage of non-detect samples</li> <li>ii. What concentrations to substitute for non-detects</li> </ol> </li> <li>c. Trend Analysis methodology <ol style="list-style-type: none"> <li>i. parametric or non-parametric testing <ul style="list-style-type: none"> <li>• preferred trend method (Mann Kendall or other – we note that the more recent trend assessments all used Mann Kendall so some consistency seems to have established itself)</li> </ul> </li> <li>ii. Critical p value for determining significance of trends</li> <li>iii. Defining Seasons (Flow regime vs. Calendar Year)</li> </ol> </li> </ol> </li> </ol> <p><i>The outcome we expect is that trend analyses for all watersheds are performed using a consistent methodological framework to support consistent interpretation of results.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with the intent of this recommendation. The GNWT acknowledges the importance of consistency and quality of trend analysis of water monitoring data, but recognizes there are limitations. The GNWT is engaged in numerous initiatives to improve trend analysis through more consistent data management. Methodologies in data collection and in the evaluation of trends are standardized as much as possible, but flexibility is required to manage datasets that are not completely compatible. Trend analysis techniques should also evolve and follow current scientific literature and best practices. GNWT water monitoring frameworks are collaboratively developed with stakeholders in the NWT and with neighbouring jurisdictions (e.g., bilateral water management agreements). The GNWT, in partnership with other water managers, has or is in the process of developing guidance documents on water monitoring and assessment to promote consistency (e.g., Aquatic Effects and Baseline Monitoring Guidelines). The GNWT will also consider how to incorporate standardized methodology when revising NWT Cumulative Impact Monitoring Program's Water Blueprint to encourage consistency.</p>
2-7	<p>The GNWT implement a system of qualified peer review of all internally and externally produced reports on environmental trends.</p> <p><i>The outcome we expect is that trend analyses for all watersheds are of consistent and adequate quality and that reports meet acceptable professional standards.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with the intent of this recommendation. The GNWT will continue with the practice of qualified in-house peer review for all internally and externally produced reports. This internal review process ensures consistency with accepted methodologies in academic peer-reviewed literature. All GNWT-led manuscripts that are published in scientific journals will be peer reviewed within the GNWT prior to submission to journals. Reports that are developed with partner institutions (e.g. transboundary water agreement programs) will be reviewed internally by each institution prior to publication. Where possible, trend analysis will follow a consistent framework so that results are transferrable to other internal and external reports evaluating hydrologic and water quality metrics.</p>
2-8	<p>The GNWT provide a framework for future trend reports to follow for the evaluation of data such as a requirement that the authors interpret the significance and potential causes of any observed environmental trends, and that they address the potential for cumulative effects.</p> <p><i>The outcome we expect is that watershed trend reports by contractors for the GNWT follow a consistent framework of interpretation and provide a discussion of significance of any trends in order to inform the GNWT such that they can respond in an appropriate way.</i></p> <p><i>The overall outcome of Section 2.1.3 and 2.1.4 is that trend analyses and summary reports prepared for each watershed accurately and defensibly describe the presence, causes and environmental significance of detected trends.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with the intent of this recommendation. The GNWT currently employs a general framework for evaluating water quality and quantity with standardized levels of significance and appropriate statistical testing, consistent with current scientific literature and best practices. Cumulative effects assessment and an interpretation of observed environmental changes are common expectations of watershed trend analysis reporting. However, watershed trend analysis objectives are often numerous and the scope of each assessment can differ.</p>

#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
2-9	<p>The RA work with other appropriate GNWT divisions and parties in the NWT to evaluate how best to improve their water monitoring efforts with the goal of ensuring that any data collected reflect the information needs of residents and could be used for trend analysis and CIM of water. With respect to trend analyses, the evaluation should focus on how best to optimize the availability of long-term data sets to provide good coverage of the NWT and address the gaps identified in Section 2.1.2.</p> <p><i>The outcome we expect is that water monitoring efforts in the NWT adequately address stakeholder concerns.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT, as the responsible authority (RA), agrees with the intent of this recommendation. The GNWT acknowledges the importance of partnering with others for improved monitoring efforts and addressing stakeholder concerns in the NWT. Water monitoring, data management and communication are pillars of the NWT Water Stewardship Strategy, which is co-developed, implemented and reviewed annually by GNWT ENR, other GNWT departments and water partners. Continued implementation of the NWT Water Strategy facilitates improved coordination of water monitoring efforts, such as through network partnerships, to ensure information needs are met and to address monitoring gaps in the NWT. These network partnerships are fundamental to support capacity and assist program delivery through unique northern logistical challenges and financial constraints and allow for greater coverage of the NWT. Partnerships, including those for community-based monitoring programs, also allow for direct input by NWT communities and stakeholders.</p>
2-10	<p>The GNWT improve the communication of available water monitoring information to residents. These efforts should include increased recognition of public concerns in program design (see also Recommendation 2-9), interpretation of trend monitoring information (see also Recommendation 2-8), the reasons for monitoring and site selection (see also Recommendation 2-2), increased emphasis on plain language summaries and interpretations derived from more detailed technical analyses and improved awareness of where and how such information can be accessed.</p> <p><i>The outcome we expect is that NWT residents are aware of and understand water trends in their regions.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with this recommendation. Sharing information on freshwater health with the public is a priority for GNWT monitoring programs. The GNWT provides environmental information as plain language summaries when possible through a number of online platforms including the GNWT website and the NWT Discovery Portal. The GNWT is a founding partner of Mackenzie DataStream which allows users to access, visualize, and download full water quality datasets. On Mackenzie DataStream, the rationale for sampling locations of the monitoring programs is described through the stories and videos of the monitoring groups as well as in the metadata.</p>
3-1	<p>The RA identify an overarching coordinator to ensure the RA's responsibilities under MVRMA Section 146 are fulfilled; a logical coordinator could be the existing NWT CIMP. The coordinator for the RA must be given the authority including appropriate resources to direct the monitoring of other parties such that various entities collect information in a coherent manner according to an accepted monitoring structure and with the authority of regulations to ensure cooperation.</p> <p><i>The outcome we expect is that the relevant business units with responsibility for CIM and trend monitoring are coordinated in delivering the RA's responsibility.</i></p> <p><i>We recognize that implementation of Recommendations 3.1 and 3.2 may result in several business units having increased responsibilities. Therefore it will be important to ensure the GNWT provides adequate resources to carry out their new responsibilities.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT, as the responsible authority (RA), believes that its obligations for cumulative impact monitoring under Section 146 of the Mackenzie Valley Resource Management Act (MVRMA) are being fulfilled with the current structure. A number of new initiatives that will bolster GNWT efforts to understand cumulative impacts include:</p> <ul style="list-style-type: none"> <li>• The development of water quality reporting guidelines, which have recently been adopted by the Land and Water Boards;</li> <li>• The development of a cumulative effects framework for ENR, which will be distributed for input to our partners in 2020; and</li> <li>• The development of an approach to water quality monitoring that will allow all water monitoring partners to contribute information to fill spatial and temporal gaps.</li> </ul> <p>These initiatives, along with existing monitoring activities, will contribute to ENR's ability to monitor and assess cumulative impacts in the NWT and to fulfilling the requirements of the MVRMA.</p>
3-2	<p>The GNWT, on the advice of the overarching coordinator identified in Recommendation 3-1, formally assign roles, responsibilities, and accountabilities, to relevant business units (i.e. other departments, expert divisions and programs that are involved in monitoring).</p> <p><i>The outcome we expect is that relevant business units have clarity in their contribution to fulfilling the RA's responsibility under MVRMA Section 146.</i></p> <p><i>We recognize that implementation of Recommendations 3.1 and 3.2 may result in several business units having increased responsibilities. Therefore it will be important to ensure the GNWT provides adequate resources to carry out their new responsibilities.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT understands the intent of this recommendation, but is of the opinion that the intent can be achieved with the current structure. To clarify roles and help parties identify opportunities to collaborate, the GNWT will include the current roles and responsibilities of all parties involved in cumulative impact monitoring across the NWT in the cumulative effects framework that is currently being developed by ENR. Further, established interdepartmental working groups can be used to discuss the roles and responsibilities of relevant GNWT business units and provide internal accountability.</p>

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3-3	<p>The RA develop a monitoring structure that will ensure that individual monitoring programs undertaken across the NWT can contribute to baseline description, trend analyses and CIM by the RA. This should be done in consultation with other organizations or departments that conduct or direct monitoring in the NWT. This structure could be implemented through policy, guidelines and/or regulations and should define standards for monitoring such as:</p> <ul style="list-style-type: none"> <li>• Rationale for site selection</li> <li>• Core parameter or indicator lists for each VEC</li> <li>• Sampling methods and analytical methods (e.g., detection limits, etc.)</li> <li>• QA/QC and other data handling methods</li> <li>• Statistical methodology</li> <li>• Evidence that the results of individual monitoring programs were being reviewed by the RA, the methods and interpretation verified, and the results disseminated</li> </ul> <p><i>The outcome we expect is that there is a common set of rules and expectations to guide monitoring in the NWT such that results across a range of monitoring programs are compatible for the purpose of trend and CIM analysis.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT, as the responsible authority (RA), agrees with this recommendation. The GNWT supports the development of a monitoring structure that will ensure that individual monitoring programs undertaken across the NWT can contribute to baseline description, trend analyses and cumulative impact monitoring (CIM), including the continued development and promotion of standard data collection and reporting protocols. GNWT will consider ways to promote the development and use of standardized monitoring structures to increase the compatibility of monitoring results to enable trend and CIM analysis. Any potential standardized monitoring structures will need to address the needs of decision-makers and monitoring partners.</p> <p>A number of initiatives that will bolster the GNWT efforts to understand cumulative impacts include:</p> <ul style="list-style-type: none"> <li>• The development of water quality reporting guidelines, which have recently been adopted by the Land and Water Boards;</li> <li>• The development of a cumulative effects framework for ENR, which will be distributed for input to our partners in 2020; and</li> <li>• The development of an approach to water quality monitoring that will allow all water monitoring partners to contribute information to fill spatial and temporal gaps.</li> </ul>
3-4	<p>The co-management boards use their ability to impact the design of monitoring programs to ensure the adoption of consistent monitoring requirements for proponents.</p> <p><i>The outcome we expect is that industry's monitoring efforts will be able to aide the RA in meeting its Section 146 responsibilities The overall outcome we expect from the above recommendations is that existing and future monitoring programs in the NWT contribute meaningfully to environmental trends analyses and CIM efforts by the RA.</i></p>	LWB GRRB WRRB GLUPB MVEIRB	<p><b>LWB's Response:</b> There are examples of LWB efforts made to ensure the adoption of consistent monitoring requirements by proponents. Page 63 of the 2020 Audit describes the CIMP and LWB joint initiative on guidelines for reporting water quality data. The LWBs are involved in an initiative to standardize Surveillance Network Program (SNP) requirements for municipal water licences through the development of guidance manuals for communities.</p> <p>The design of monitoring programs required by the LWBs through permit and/or water licence conditions is impacted by evidence gathered during regulatory proceedings. With respect to monitoring effects in aquatic environments, the MVLWB/GNWT Guidelines for Aquatic Effects Monitoring Programs (AEMP) is a high-level document that guides proponents with the development of their monitoring program, but does not include required technical specifications for sampling methods (e.g. specific QA/QC procedures, minimum detection limits, sampling schedules).</p> <p>Consequently, the data collected by different proponents through water licence AEMP requirements are not necessarily standardized, and may not contribute meaningfully to a dataset that is to be analysed for environmental trends or cumulative impacts.</p> <p>If the GNWT does not provide evidence for monitoring programs to be designed in a certain way, it is challenging for the LWBs to include conditions and/or approve monitoring plans that will result in consistent monitoring requirements for proponents. Standards or guidelines with specifications that would help inform cumulative impacts monitoring could potentially be used to help guide the development of these monitoring programs and help inform Board decisions. The development of such standards/guidelines is currently hindered by the lack of an overarching framework within which to obtain and consider cumulative impacts data in a meaningful and consistent manner.</p>

3-4 Continued next page

#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
3-4	<p>The co-management boards use their ability to impact the design of monitoring programs to ensure the adoption of consistent monitoring requirements for proponents.</p> <p><i>The outcome we expect is that industry's monitoring efforts will be able to aide the RA in meeting its Section 146 responsibilities The overall outcome we expect from the above recommendations is that existing and future monitoring programs in the NWT contribute meaningfully to environmental trends analyses and CIM efforts by the RA.</i></p>	<p>LWB GRRB WRRB GLUPB MVEIRB</p>	<p><b>GRRB's Response:</b> GRRB does not have the authority to demand that proponents use specific designs for their monitoring programs – we can (and do) make recommendations in our comments on permit applications, but it is up to the LWBs to decide what the standardized requirements for monitoring programs are and to enforce the requirements when issuing permits and reviewing annual reports from permit-holders.</p> <ul style="list-style-type: none"> <li>GRRB has contributed by providing comments on draft versions of the LWB's Guidelines for Aquatic Effects Monitoring Programs (AEMP) and other guideline documents as they are developed.</li> <li>GRRB does not know the monitoring program details until they are provided during the LWB review process - so these same rules and expectations should already have been shared with the proponent at the LWB level.</li> </ul> <p><b>WRRB's Response:</b> The WRRB reviews and comments on all wildlife monitoring programs, as well as other monitoring programs that are consistent with the Board's mandate, to ensure consistent mitigative and monitoring actions, including CIM, are implemented by the RA.</p> <p><b>GLUPB's Response:</b> As they are identified in the planning process, the Board will keep the CIMP decision makers apprised of the baseline information and monitoring programs necessary so that cumulative effects policy, such as limits of acceptable change, can be integrated into the land use plan in the future. These policy measures will be developed with full consideration given to the roles and responsibilities of all entities with respect to CIM.</p> <p><b>MVEIRB's Response:</b> MVEIRB supports the overall outcome of the recommendation, from the perspective of having good information to assess cumulative impacts of future development proposals.</p> <p>When MVEIRB sets measures in reports of EA to require monitoring, the measures focus on information needs and monitoring outcomes to prevent significant adverse impacts and ensure mitigation measures are effective, without being too prescriptive about the specific design or methods of a monitoring program. In this way the measures leave space for regulators and developers – who have the knowledge and expertise – to set out monitoring details that are consistent with and contribute to broader cumulative impact monitoring frameworks, where such frameworks exist.</p> <p>MVEIRB agrees that the establishment of standard monitoring frameworks and protocols would better enable project-specific monitoring to be designed and carried out in a consistent way that contributes to cumulative impact monitoring and environmental trend analyses. MVEIRB will continue to support CIMP, LWBs, and others working to establish monitoring frameworks.</p>
3-5	<p>The GNWT and CIRNAC work together to develop regulations under Section 150(a) of the MVRMA to ensure implementation of a monitoring structure for the NWT that would help the RA to successfully fulfill Section 146 responsibilities.</p> <p><i>The outcome we expect is that entities that conduct monitoring or cause others to conduct it are required to contribute usable data to the RA in support of its Section 146 responsibilities.</i></p>	<p>GNWT CIRNAC</p>	<p><b>GNWT's Response:</b> The development of regulations under Section 150(a) are not a priority at this time. The GNWT believes it is adequately addressing cumulative impact monitoring. In addition, the GNWT has started a number of initiatives which contribute to the fulfilment of Mackenzie Valley Resource Management Act (MVRMA) Section 146, such as:</p> <ul style="list-style-type: none"> <li>The development of water quality reporting guidelines, which have recently been adopted by the Land and Water Boards;</li> <li>The development of a cumulative effects framework for ENR, which will be distributed for input to our partners in 2020; and</li> </ul> <p>The development of a pilot project investigating a novel approach to regional long-term monitoring for water.</p> <p><b>CIRNAC's Response:</b> CIRNAC is supportive of the ongoing work that contributes to the fulfilment of MVRMA Section 146. CIRNAC is open to exploring, with resource management partners, whether the development of regulations should be established in the future in response to this recommendation.</p>



#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
4-1	<p>The MVEIRB and the LWBs clearly describe the specific information required from government, including the RA, that would aid the boards in considering cumulative impacts in making decisions. We encourage the boards to consider what data, analyses, interpretation, and significance requirements would help inform cumulative effects assessment (MVEIRB) and cumulative impact management (LWBs).</p> <p>We would expect, for example, that the boards might outline requirements for government to provide baseline status of VECs subject to a development proposal and that this would form the basis of the cumulative impact assessment by the proponent.</p> <p><i>The outcome we expect is for board process participants to better understand what is expected of them allowing them to improve their submission in individual proceedings and, more broadly, to assist the RA in identifying monitoring priorities.</i></p>	LWB MVEIRB	<p><b>LWB's Response:</b> It is currently difficult for the LWBs to consider cumulative impacts because there is no overarching framework within which to be able to obtain or consider cumulative impacts information in a consistent manner. The LWBs are of the opinion that it is the responsibility of the GNWT, in collaboration with relevant partners (e.g., Indigenous Governments and Organizations, LWBs, MVEIRB), to develop such a framework.</p> <p>Currently, the LWBs are limited to making decisions on a case-by-case basis as a result of evidence provided during proceedings. When information is provided, or if potential cumulative impacts are known, then these can be reflected with conditions to a permit and/or licence. For example, the LWBs have included conditions in permits related to limiting activities during nesting season for birds. As another example, if evidence is presented during a proceeding for a water licence that other Effluent Quality Criteria (EQC) values from other projects should be considered for a certain waterbody, as there could be cumulative impacts to the waterbody based on all discharges, the LWBs could take this evidence into account when making a decision on the final EQC for the project that is under review.</p> <p><b>MVEIRB's Response:</b> MVEIRB relies on active participation from government departments, Indigenous government organizations, and others to inform cumulative effects assessments.</p> <p>For each EA, MVEIRB provides project information and seeks input from government regarding: potential impacts, baseline and other information needs, project design and mitigations, remediation, and assessment methods. Further, MVEIRB actively notifies and requests information from government departments where applicable (and where government appears not to be actively providing the information on their own initiative).</p> <p>Where applicable, MVEIRB has and will continue to request specific information (such as the example provided) directly from government. For this to be effective, government needs to respond in a timely and fullsome manner.</p> <p>Also, departments likely have the knowledge and expertise (within their jurisdictions) to help identify the right questions. In other words, it is important for departments to be active participants in the EA, not limiting themselves only to responding to specific requests from MVEIRB. If a department has information it believes is relevant, it should provide this information in a timely and through manner so that all parties, the developer, and MVEIRB can make use of it.</p>
4-2	<p>The RA consider a risk-based, CIM strategy, prescribing the design and delivery of a CIM program to meet Section 146 of the MVRMA, in response to evidence that a particular VEC is demonstrating a concerning negative trend. Traditional knowledge may be a particularly valuable method of tracking wildlife populations such as caribou, in which TK observations could alert the RAs to a change and could then inform development of a response framework.</p> <p><i>The outcome we expect is that when a substantial concern in a VEC is identified, comprehensive CIM is deployed in order to help determine the possible cause of the change.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT, as the responsible authority (RA), agrees with this recommendation. GNWT ENR is currently working on the development of a Cumulative Effects Framework to meet the need for a coordinated approach to cumulative effects across the Department. The framework will improve GNWT ENR's ability to consistently monitor, assess and predict cumulative effects, the results of which can inform GNWT ENR and other GNWT decision-making processes. The ultimate aim is to ensure resource management decisions are made with the best available understanding of cumulative effects. This initiative is currently in the planning stage and GNWT ENR will be discussing it with our partners in 2020, in part to begin work on how to best incorporate and include Traditional Knowledge in a meaningful way.</p>
4-3	<p>The RA design a coherent cumulative impacts monitoring and assessment framework for the NWT that includes clarity on language, the role of different organizations, policy directions for boards and departments, monitoring protocols, and advice for industry to manage and consider cumulative impacts.</p> <p><i>The outcome we expect is that the roles and responsibilities of all entities with respect to CIM in the NWT are clear and agreed upon.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT, as the responsible authority (RA), agrees with this recommendation. In addition to the Cumulative Effects Framework described in response to Recommendation 4-2, GNWT ENR is outlining the current roles and responsibilities of all parties involved in cumulative impact monitoring across the NWT to clarify roles and help parties identify opportunities to collaborate. This information will be made publically available on the GNWT ENR website.</p>

#	Recommendation	Responding parties	Responses Published in 2020 Audit Report
4-4	<p>The boards publish their CIM knowledge gaps on a regular schedule and request a response from government on how they may assist in providing information.</p> <p><i>The outcome we expect is that the RA is consistently updated on the needs of the boards with respect to knowledge gaps that if filled would aid in the board's decision-making.</i></p>	<p>LWB (including IWB) WRRB GLUPB MVEIRB</p>	<p><b>LWB's Response (including IWB):</b> All information submitted to the LWBs and all LWB decisions are posted to the LWBs' public registry. Thus, any decisions or issues raised with respect to cumulative impacts are publicly available.</p> <p>In addition, the LWBs collate issues/questions that have arisen during proceedings related to cumulative effects. This information is regularly communicated to CIMP.</p> <p>The biggest limitation/gap at the moment is the absence of a framework within which to be able to obtain or consider cumulative impacts information in a consistent matter. It is difficult to identify gaps in the absence of a framework. The LWBs are of the opinion that it is the responsibility of the GNWT, in collaboration with relevant partners (e.g., Indigenous and Government Organizations, LWBs, MVEIRB), to develop such a framework.</p> <p><b>WRRB's Response:</b> Through its recommendations and reasons for decisions reports, the WRRB regularly provides input on existing CIM knowledge gaps that if filled would aid in the Board's decision-making.</p> <p>Interviews showed that data and information brought together via NWT CIMP-funded projects is not effectively linked to EA and management decisions as it is not readily usable for assessing and making decisions about cumulative impacts.</p> <p><b>GLUPB's Response:</b> The GLUPB sees this recommendation as being an important element of the framework identified in recommendation 4-3. As they are identified in the planning process, the Board will keep the CIMP decision makers apprised of the baseline information and monitoring programs necessary so that cumulative effects policy, such as limits of acceptable change, can be integrated into the land use plan in the future. These policy measures will be developed with full consideration given to the roles and responsibilities of all entities with respect to CIM.</p> <p><b>MVEIRB's Response:</b> MVEIRB's published reports of environmental assessment frequently note gaps and information needs. These reports are posted to the public registry and sent directly to responsible ministers and decision makers. The analysis, explanation, and reasoning in the reports of EA provides important context for identified information gaps.</p> <p>MVEIRB is also willing to publish information gaps in a more generic manner and is currently working with the NWT Board Forum to compile and prioritize research/monitoring priorities.</p> <p>MVEIRB is committed to working closely with CIMP, LWBs, and others to identify and communicate knowledge gaps. MVEIRB will endeavour to publish an update each year.</p>
4-5	<p>When evaluating NWT CIMP funding proposals, the NWT CIMP Steering Committee ensure they consider the needs of decision-makers and document how these concerns were addressed in their funding decisions.</p> <p><i>The outcome we expect is that the results of projects funded by NWT CIMP are increasingly relevant for decision-makers.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with this recommendation. The NWT Cumulative Impact Monitoring Program (NWT CIMP) and the NWT CIMP Steering Committee currently consider the needs of decision-makers when evaluating funding proposals. All funding applicants are required to provide details of the engagement and support from relevant decision-makers to ensure funded projects meet decision-makers' needs. The reasons for decisions for project funding are documented internally and are treated confidentially. To further address this recommendation, NWT CIMP will consider how to better communicate the relevancy of NWT CIMP funded projects to decision-makers as part of our program delivery.</p>
4-6	<p>The NWT CIMP continue to evaluate its monitoring priorities on a five-year cycle in response to findings from monitoring and research, and that it provide specific directions and conclusions to decision-makers in the form of memoranda, NWT CIMP-certified monitoring protocols, policies, and customized project-specific advice.</p> <p><i>The outcome we expect is that NWT CIMP enhances the delivery of products that are usable by decision-makers.</i></p>	GNWT	<p><b>GNWT's Response:</b> The GNWT agrees with this recommendation. The NWT Cumulative Impact Monitoring Program (NWT CIMP) will continue to evaluate and refine its monitoring priorities in collaboration with co-management and Indigenous partners. NWT CIMP will also continue to require funding recipients to make their results publicly available, as well as ensure all results are provided to the relevant decision-makers. Furthermore, NWT CIMP will consider how to better develop useable products and communicate project results to decision-makers as part of our program delivery. In turn, the timely adoption of NWT CIMP recommended protocols, policies and advice by decision-makers would support the implementation of this recommendation.</p>



July 5, 2024

Tanya MacIntosh  
Chairperson  
Mackenzie Valley Land and Water Board  
7<sup>TH</sup> FLOOR, 4922 48<sup>TH</sup> STREET  
YELLOWKNIFE NT X1A 2P6

Elizabeth Wright  
Chairperson  
Gwich'in Land and Water Board  
105 VETERANS WAY  
INUVIK NT XOE OTO

Mason Mantla  
Chairperson  
Wek'èezhìi Land and Water Board  
#1-4905 48<sup>TH</sup> ST  
YELLOWKNIFE NT X1A 3S3

Valerie Gordon  
Chairperson  
Sahtu Land and Water Board  
Box 1  
FORT GOOD HOPE NT XOE OHO

Dear Chairpersons MacIntosh, Mantla, Wright and Gordon:

**Recommendations for Focused Amendments to the  
Waters Regulations and Mackenzie Valley Federal Areas Waters Regulations**

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Thank you for your letter received on May 28, 2024, outlining recommendations regarding focused amendments to the territorial Water Regulations and the Mackenzie Valley Federal Area Waters Regulations. These regulations are administered by the Minister of Crown-Indigenous Relations and Northern Affairs, who was a co-addressee on the letter.

The *Waters Act* and regulations have remained substantially unchanged since federal enactment in 1992. As noted in your letter, there has been a long-standing mutual interest in amending the *Waters Act* and regulations, which led to a process initiated during the 18<sup>th</sup> Legislative Assembly shortly after devolution. We acknowledge the significant progress made with partners, including the Land and Water Boards of the Mackenzie Valley (LWBs) during the previous amendment process. Unfortunately, a final amended Act was not achieved before the dissolution of the 18<sup>th</sup> Legislative Assembly. The Government of the Northwest Territories (GNWT) has again included the *Waters Act* and *Waters Regulations* on the legislative agenda for the 20<sup>th</sup> Legislative Assembly and the Department is eager to re-engage with the Intergovernmental Council (IGC) and other Indigenous Governments to determine interest in moving forward with amendments.

.../2



I recognize the importance of updating laws and regulations to meet the evolving needs of residents and industry over time. For example, the GNWT recognizes that amendments are required to enhance consistency and coordination with other Northwest Territories (NWT) and federal legislation; to regulate air, which is outstanding since 2017; to reflect modern treaties as well as agreements entered into by the GNWT; and to support commitments made in the NWT Water Stewardship Strategy.

The GNWT is discussing this issue internally and Environment and Climate Change (ECC) officials will be engaging with you and other partners, including the IGC Secretariat, other Indigenous governments, and the Boards to work collaboratively to consider the full range of options for moving an initiative forward through the Legislative Development Protocol.

I anticipate that the LWBs will be invited to actively participate once a formal process is initiated. In the meantime, I applaud the ongoing initiatives being undertaken by your organizations, including those in collaboration with the GNWT such as the recent discussions on water use for ice bridge construction, to provide additional clarity to the regulatory process in the Mackenzie Valley. ECC staff will continue to work with LWB staff to identify additional mechanisms around regulatory improvements and provide input as requested.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jay Macdonald', with a stylized, sweeping flourish extending to the right.

Jay Macdonald  
Minister  
Environment and Climate Change

c. Distribution List

Distribution List:

Honourable R.J. Simpson  
Premier

Honourable Caitlin Cleveland  
Minister of Industry, Tourism, and  
Investment

Dr. Joe Dragon  
Principal Secretary

Kyla Kakfwi-Scott  
Deputy Secretary, Premier's Office

John MacDonald  
Secretary to Cabinet/Deputy Minister  
Executive and Indigenous Affairs

Dr. Erin Kelly  
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Environment and Climate Change

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Intergovernmental Affairs  
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Nathen Richea  
Assistant Deputy Minister, Regulatory  
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Kim Pawley  
Director, Environment and Renewable  
Resources  
Crown-Indigenous Relations and Northern  
Affairs Canada

Ron Pankratz  
A/Regional Director General  
Crown-Indigenous Relations and Northern  
Affairs Canada

May 28, 2024

The Honourable Daniel Vandal  
Minister of Northern Affairs, Canada  
Crown-Indigenous Relations and Northern Affairs

The Honourable Jay Macdonald  
Minister of Environment and Climate Change  
Government of the Northwest Territories

Sent via email

Dear Ministers Vandal and Macdonald,

**RE: Recommendations for focused amendments to the Waters Regulations and Mackenzie Valley Federal Areas Waters Regulations**

In accordance with paragraphs 106.1(2)(a) and (b) of the *Mackenzie Valley Resource Management Act* (MVRMA), we are writing on behalf of the Land and Water Boards of the Mackenzie Valley (the LWBs) with recommendations regarding focused amendments to both the Waters Regulations and the Mackenzie Valley Federal Areas Waters Regulations (collectively referred to as the Regulations in this letter).

In 2017, the LWBs wrote<sup>1</sup> to your predecessors with recommendations for amendments to both the *Waters Act*/MVRMA and the Regulations. At that time, the GNWT had begun a process to first amend the *Waters Act*, and the LWBs were active participants in that process as we were keen to make the legislation clearer and more effective. Unfortunately, the *Waters Act* amendment process was halted just over a year later.

The LWBs continue to experience difficulties with the water legislation. In November 2023, we gave a presentation at a Mackenzie Valley Operational Dialogue meeting to reinstate the discussion about the Regulations. This presentation is attached to this letter; there you will find a summary of the issues we have identified and the implications of maintaining the status quo.

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<sup>1</sup> See letters from the LWB to the [GNWT](#) and to [CIRNAC](#) in November 2017.

This letter outlines the broader context that supports the overall recommendation that focused amendments to the Regulations are needed now.

### ***The Regulations are outdated and a source of uncertainty in the regulatory process***

There have been no substantive updates to the Regulations since they were originally enacted in 1993 despite many changes to the NWT's operating environment, including the implementation of the co-management system, new technologies in mining and mineral exploration, and new industries like diamond mining and government-funded remediation projects. In 1993, oil and gas projects were predominant in the NWT; now it is mineral exploration, and yet the Regulations are completely silent on that important part of the NWT's current economy.

Much of the language in the Regulations is vague or ambiguous. This means that questions about the legal interpretation of provisions in the Regulations frequently arise during regulatory processes. When legislative tools like the Regulations are not clear and don't reflect the current operating environment, the timeliness of regulatory processes are affected as lawyers debate interpretations of the law and proponents struggle to meet regulatory requirements that don't always make sense for their industry. This regulatory uncertainty has helped fuel the perception<sup>2</sup> that the NWT is not a good place to invest in mineral exploration or mining.

### ***Focused amendments to the Regulations should be prioritized over updates to the Waters Act***

It is a common understanding that amendments to the *Waters Act* would also help improve regulatory certainty in the NWT; however, parties in the NWT also recognize the magnitude and complexity of the process that will be required to update the *Waters Act*. In that context, it is important to note that of all the various pieces of legislation that influence and guide the regulatory system, the Regulations cause the greatest number of challenges that repeatedly arise in the LWBs' routine regulatory processes.

To illustrate the degree of uncertainty and impact to the regulatory system, the LWBs have had to run several separate processes to address questions of interpretation and application of the Regulations. These multi-stakeholder processes are time-consuming and continue to divert limited human and financial resources away from the day-to-day work of the LWBs and other parties. Through these processes, the LWBs have identified a few focused amendments that would relieve many of the issues that are causing uncertainty for industry, other regulators, and Indigenous Governments and Organizations.

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<sup>2</sup> See the Fraser Institute's [2023 Annual Survey of Mining Companies](#) which ranks NWT very low in terms of attracting investment due to policy issues despite the strong mineral potential.

Amendments to regulations do not require the approval of the Legislative Assembly or Parliament, so it should be possible to remedy the known and immediately concerning provisions in the Regulations in much less time than a comprehensive review or waiting until after a future update to the *Waters Act*. For example, while it took several years to amend the NWT's *Wildlife Act*, the Wildlife General Regulations have been amended every year between 2017 and 2022.

As per the Intergovernmental Council's (IGC) Legislative Protocol, the Government of the Northwest Territories, Department of Environment and Climate Change (GNWT-ECC) will need to work on amendments with the IGC. The IGC process for amending the regulations under the NWT's new *Mineral Resources Act* and new *Public Land Act* have been relatively lengthy likely because of the extent of the changes to the regulation of mineral resources and lands. In this case though, the LWBs are only recommending small and focused amendments to existing regulations.

***Many proponents and some co-management partners support focused amendments to the Regulations***

In a recent [process](#), the LWBs undertook to interpret unclear language in the Regulations regarding water use for ice-bridge construction. In their submissions, several individual mineral exploration companies, as well as the NWT & Nunavut Chamber of Mines and consultants to the industry, said that while they appreciated the LWBs' attempt to clarify the Regulations, what they really wanted was for the Regulations to be formally amended to ensure the ice-bridge interpretation was clear to all parties for the long-term. This sentiment was echoed in submissions by CIRNAC and the Tłı̨chǫ Government. Several parties also noted the importance of amending the Regulations as soon as possible to ensure the health of the mineral exploration industry in the NWT, especially given the recent interest in lithium exploration.

While this example is specific to one issue, several of these parties indicated general support for focused amendments to the Regulations.

***This letter is intended to reinitiate a discussion between co-management partners***

Clearly written legislation that reflects the current values and needs of NWT residents allows regulators and all parties to be part of an efficient and effective regulatory system, which industry, governments, and other parties consistently, and rightfully, demand. We hope this letter will encourage the GNWT and CIRNAC to consider this request to work with the co-management partners to improve the regulatory system for the benefit of all residents of the Mackenzie Valley and Canada.

We look forward to discussing our concerns and ideas with you and your representatives directly.

If you have any questions about this letter, please contact the Executive Director of the Mackenzie Valley Land and Water Board, Kathy Racher, by [email](#) or at (867) 766-7457.

Sincerely,



Tanya MacIntosh  
Chair  
Mackenzie Valley Land and Water Board



Mason Mantla  
Chair  
Wek'èezhìi Land and Water Board



Elizabeth Wright  
Chair  
Gwich'in Land and Water Board



Valerie Gordon  
Chair  
Sahtu Land and Water Board

cc to:

Georgina Lloyd – Assistant Deputy Minister, Northern Affairs, CIRNAC  
Joanna Ankersmit – Director General, Natural Resources and Environment, CIRNAC  
Rebecca Chouinard – Director, Resource Policy and Environment, CIRNAC  
Kim Pawley – Director, Environment and Renewable Resources, CIRNAC  
Erin Kelly – Deputy Minister, GNWT- ECC  
Premier R.J. Simpson – Premier, GNWT  
Hon. Caitlin Cleveland – Minister of Industry, Tourism and Investment  
Joe Dragon – Principal Secretary, GNWT  
John MacDonald – Secretary to Cabinet, GNWT  
Ron Pankratz – A/Regional Director General, CIRNAC

Attachment: Potential changes to the NWT/Federal Areas Waters Regulations Presentation–  
November 2023

# Potential changes to the NWT/Federal Areas Waters Regulations

Ideas from staff of Land and Water Boards of the Mackenzie Valley (LWBs) - for discussion

November 2023



1

## This presentation is meant to begin a discussion about amending water regulations in the NWT

The ideas presented here were generated by LWB staff.

Before discussing our ideas, we want to note the following:

- The LWBs do not write the legislation, we only implement it.
  - This means that although we have identified issues with the legislation, we do not have an opinion on how best to resolve those issues – that is up to the treaty partners, not the LWBs.
- What we want overall are water use regulations that are clear, consistent, and that accurately reflect the values and needs of the people of the NWT.



2

## Our focus is on the federal and territorial waters regulations, not on the *Waters Act* or the water licensing provisions in the MVRMA

- The process for amending regulations is less onerous than making amendments to the Acts.
- Making even a handful of changes to the Regulations would improve the regulatory process for water licences – so we believe this is the best place to start.



3

## Summary of issues identified

4



There are several issues with water regulations that, in our opinion, continuously contribute to regulatory inefficiencies

These issues fall into one or more of three broad categories:



Project types not contemplated in the regulations



Apparent disconnect between the amount of regulatory process required and the potential impacts of some regulated activities



Unclear language used for some provisions

5

## Project types not contemplated in the Regulations



- Diamond mining
- Abandoned mine-site remediation projects
- Mineral exploration

- Each of these project types have unique water uses/waste deposits that the Regulations are silent on.
- There is continued debate as to how regulate aspects of these projects leading to unclear, inconsistent, and/or changing expectations for applicants.

6

## Disconnect between required process and potential impacts



### Examples:

- Small mineral exploration projects that need a lot of water to build ice-bridges may need to go through the same amount of regulatory process as a full-scale mine – even though the scale of environmental impacts is very different.
- There is no clear process for reducing a water licence from a type A to a type B even as a project moves from peak activity to reclamation to closure to post-closure monitoring. This means that the amount of regulatory process does not match the scale of impacts for every stage of a project.



7

## Unclear language used for some provisions



- Many provisions in the Regulations (including the Schedules) are not written clearly.
- As a result, there is constant debate on the correct interpretation of aspects of the Regulations – this can lead to unnecessary tension between parties.
- Clear language ensures that the LWBs can implement the legislation in the way that the drafters intended.



8

## LWB staff believe that an update of the water Regulations in the NWT is long overdue

- Since the LWBs cannot do this, we ask other parties to encourage all levels of government – Indigenous, federal, territorial – to begin an amendment process.
- Although we know there are many who want to update the *Waters Act*, we do not think that must happen before making some focused amendments to the Regulations.

9

## Issues identified – in more detail

10

## Many of the bigger problems we see are in the Schedules of the federal and territorial Regulations

- Note that although the federal and territorial Regulations are mirrored, the numbering system is different.
- When we reference Schedules from the regulations, the letters refer to the Waters Regulations and the numbers refer to the MVFAWR (e.g., Schedule B in the Waters Regulations is equivalent to Schedule II of the MVFAWR)



11

## The Schedules guide whether a project needs a type A or a type B licence. This is important because of the different requirements for each process.

### Type A licensing process

#### *Initial licence:*

- Mandatory public hearing that can only be cancelled 10 days before it was scheduled.
- Process takes up to 9 months plus up to an additional 3 months for the Minister to sign the licence.

#### *Amendments or renewal of licence:*

- Same timelines as for initial licence.

### Type B licensing process

#### *Initial licence:*

- Public hearing not mandatory but can be requested by parties if necessary.
- Process takes less time, typically 2-4 months, (although legislation allows up to 9 months) and does not require the Minister to sign it, unless there is a public hearing.

#### *Amendments or renewal of licence:*

- Same timelines as for initial licence.

12

There are two components of the Schedules that play a key role in determining whether a licence is required

- **Schedule B/II: Classification of Undertakings:** When an application is received, we refer to this Schedule to classify a project.
- **Schedule D – H/IV-VIII: Licensing Criteria:** These Schedules describe what activities can be undertaken without a licence, with a type B licence, or a type A licence. The criteria are different for different kinds of undertakings:
  - Industrial; Mining and Milling; Municipal; Power; and Agricultural/Conservation/Recreational/Miscellaneous



13

The most pressing issues LWB staff identified in the Schedules are described in more detail in the following slides

- LWB staff have also identified a number of other issues in the body of the Regulations, which are summarized in a table at the end of this presentation.



14

## Issue 1: Ice-bridge Water Use (Schedule H/VIII)

- **Issue:** Ice-bridge water use is a thorn in our side.
  - For miscellaneous undertakings (Schedule H/VIII), the direct water use criteria allows for the use of water for constructing ice bridges without a water licence. However, because of how these Schedules are written, it is unclear whether this exception still applies if a project that includes ice-bridge water use requires a licence for other water uses.
- **Implications:** If this water use is included in the total water use volume for projects that require a licence for other water uses in addition to ice-bridge water use, more small miscellaneous projects (e.g., mineral exploration) will require a type A licence instead of a type B licence.
- **What is needed:** Clarifying whether ice-bridge water use should be included in the total water use volume for miscellaneous projects that otherwise exceed water licensing criteria would be helpful.



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## Issue 2a: Classification of Undertakings (Schedule B/II)

- **Issue:** Mineral exploration activities are not explicitly considered in the Schedules.
  - Mineral exploration is not explicitly classified as either a Mining or Milling, or an Industrial undertaking, and it does not fit the undertaking descriptions in either of these categories.
  - By comparison, oil and gas exploration is explicitly classified as an Industrial undertaking.
  - LWBs have been classifying mineral exploration projects in the Miscellaneous category by default.
- **Implications:** The licensing criteria in any of these three categories are not reflective of the activities associated with mineral exploration. This means that these kinds of projects might not be appropriately regulated.
- **What is needed:** Parties should look at the activities that are specific to mineral exploration projects and consider licensing criteria that align with the potential environmental impacts of those projects.



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## Issue 2b: Classification of Undertakings (Schedule B/II)

- **Issue:** Abandoned mine-site remediation activities are not explicitly considered in the Schedules
  - Mine-site remediation is not explicitly classified as either a Mining or Milling, or an Industrial undertaking, and it does not fit the undertaking descriptions in either of these categories.
  - The LWBs have been classifying abandoned mine-site remediation projects in the Miscellaneous category by default.
- **Implications:** The Miscellaneous licensing criteria are not reflective of the activities associated with abandoned mine-site remediation. This means that these kinds of projects might not be appropriately regulated.
- **What is needed:** Parties should look at the activities that are specific to mine-site remediation projects and decide on licensing criteria that align with the potential environmental impacts of those projects.



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## Issue 3: Type of Licence (Schedules)

- **Issue:** It is unclear whether the type of licence a project requires can change over the life of the project.
  - Although some projects may initially exceed criteria for a type A licence, later phases of a project (closure and reclamation, post-closure monitoring) may only exceed criteria for a type B licence.
  - Whether a type A licence can be replaced by a type B licence when type A licensing criteria are no longer exceeded for a project is unclear.
    - For example, it is not clear how section 7 of the Waters Regulations and section 8 of the MVFAWR apply throughout the life of a project.
    - Is a project only intended to be evaluated against type A and B licensing criteria on initial application?
  - To date, this has primarily been raised with respect to abandoned mine-site remediation projects, but it would be applicable to other types of projects as well.
- **Implications:** As projects scale down from their operation to closure, and post-closure, there is no clear opportunity to scale down the level of regulatory process required for that project. This means we may all be doing more work than is necessary at different phases of a project.
- **What is needed:** The Regulations should specify how the life of a project – from peak activity to closure – can be appropriately regulated.



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## Issue 4: Licensing Criteria for Municipal Undertakings (Schedule F/VI)

- **Issue:** One of the criteria for needing a water licence for a camp or lodge is that it have a “capacity of more than 50 occupants per day”.
  - It isn’t clear if this criteria applies to 50 overnight occupants or 50 day-users of the site.
  - The LWBs have been interpreting this as 50 overnight occupants, but we have been challenged in our interpretation by GNWT.
- **Implications:** Lack of clarity has resulted in LWB staff providing different advice to applicants than Inspectors. Also, if the definition is for daytime users, many more water licences will need to be issued.
- **What is needed:** It would be helpful if the term “occupants” could be clarified to indicate either overnight or daytime users of a camp/lodge.



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## Issue 5: Licensing Criteria (Schedules D-H/IV-VIII)

- **Issue:** It isn’t necessarily clear how the criteria are linked to potential level of environmental impact of the water use.
  - For example, why was the use of 300 m<sup>3</sup>/day chosen as a criteria for a type A licence for Industrial and Miscellaneous undertakings?
  - In some cases, the criteria also differ across the three territories. For example, if an applicant plans to use more than 300 m<sup>3</sup>/day for a Miscellaneous undertaking (like mineral exploration), they will require a type A licence in the NWT or Nunavut but only a type B licence in the Yukon.
- **Implications:** Subjecting small projects to a higher level of scrutiny than needed uses up time and resources for all parties.
- **What is needed:** It would be helpful to review the licensing criteria and consider whether some could be revised.



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## Issue 6: Licensing Criteria (Schedules D-H/IV-VIII)

- **Issue:** Some of the criteria for indirect water use are unclear.
  - Item 2(5) states that indirect water use includes “alteration of flow or storage by means of dams or dikes”. But this statement can be read two different ways:
    1. “alteration of flow OR storage by means of dams or dikes” (emphasis added)
    2. “alteration of flow or storage BY MEANS of dams or dikes” (emphasis added)
  - The difference between alteration of flow (item 2(5)) and a diversion (item 2(4)) is also unclear, since a diversion could involve altering flow, potentially via dams or dikes.
- **Implications:** Depending on the interpretation, many more projects could require a type A licence. The interpretation also affects water use fees since diversions don’t require fees (if the water isn’t used for other purposes).
- **What is needed:** It would be helpful to clarify the intent of and distinction between these indirect water use criteria.

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## Ideally, parties would sit down and consider the Schedules as a whole instead of doing only piecemeal changes....

- However, we don’t know if there is an appetite to do that without first updating/amending the *Waters Act*.
- In the meantime, we hope that the specific issues identified in the Schedules could be changed.
- In the next three slides, we have also outlined some issues identified in the body of the Regulations. Most of these issues are related to clarity of interpretation. While these issues have potential consequences and do cause confusion, in LWB staff’s opinion, changes to the Schedules are more pressing.

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## Issues within the body of the Regulations

Section Heading in Regulations	Issue identified	Potential consequences of not addressing the issue
<b>Application Fees</b>	<ul style="list-style-type: none"> <li>Discrepancy between fees for water licences (\$30) and land use permits (\$150)</li> </ul>	<ul style="list-style-type: none"> <li>Loss of revenue to government</li> </ul>

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## Issues within the body of the Regulations

Section Heading in Regulations	Issue identified	Potential consequences of not addressing the issue
<b>Water Use Fees</b>	<ul style="list-style-type: none"> <li>Water use fee amounts listed in subsection 8(1) of the Waters Regulations and 9(1) of the MVFAWR are likely out of date</li> </ul>	<ul style="list-style-type: none"> <li>Loss of revenue to government</li> </ul>
	<ul style="list-style-type: none"> <li>Not clear if fees should be paid for volumes less than threshold (e.g., 30m<sup>3</sup>/day) if the project only exceeds licensing criteria for a deposit of waste</li> </ul>	<ul style="list-style-type: none"> <li>LWB policy is to charge water use fees in this instance – but if we are wrong, then licensees are paying more than they should</li> </ul>
	<ul style="list-style-type: none"> <li>Subsection 8(5) of the Waters Regulations and 9(5) of the MVFAWR says that no fees are payable if “a diversion of water if the water is not otherwise used.” The difference between a diversion and alteration of flow is not clear. Are activities like lake drawdown or pit refilling/reconnection for diamond mines a diversion or an alteration of flow? Note that this also relates to the interpretation discussed in Issue 6.</li> </ul>	<ul style="list-style-type: none"> <li>LWBs have not charged fees for lake drawdowns or underground dewatering – if parties believe that fees should be charged, it means thousands of dollars of government revenue has been missed</li> </ul>

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## Issues within the body of the Regulations

Section Heading in Regulations	Issue identified	Potential consequences of not addressing the issue
Security	<ul style="list-style-type: none"> <li>Regulations refer to “abandonment” and “restoration” although “closure” and “reclamation” are the terms used now</li> </ul>	<ul style="list-style-type: none"> <li>The terms “abandonment” and “restoration” may be confusing, because ‘abandonment’ is currently associated with situations where the licensee has walked away; whereas, in the legislation, ‘abandonment’ often encompasses all closure scenarios.</li> </ul>
	<ul style="list-style-type: none"> <li>Paragraph 11(2)(a) of the Water Regulations and paragraph 12(2)(a) of the MVFWR says that, when setting security, the board may consider the ability of an assignee to pay the costs –unclear whether this provision is intended to:               <ul style="list-style-type: none"> <li>justify setting a lower amount for a licensee that has limited funds, or</li> <li>justify setting a lower amount for a licensee that demonstrates adequate funds to close and reclaim the site.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Projects may be over or under-secured.</li> <li>Smaller projects may not go ahead because of excessive security requirements.</li> </ul>

# Land and Water Boards of the Mackenzie Valley

Presentation to SCEDE, July 10, 2024



# Land and Water Boards in the Mackenzie Valley





# LWBs' role in the regulatory process

- The Land and Water Boards (LWBs) regulate the use of land and water through the issuance of **Land Use Permits** and **Water Licences** in the Mackenzie Valley.



# Permits and licences contain rules for land and water use

- Water Licences and Land Use Permits contain the rules that proponents (e.g., individuals, companies, government agencies) must follow to minimize the impacts of their project to the environment.

15.	At least ten days prior to the completion of the land-use operation, the Permittee shall advise an Inspector of:  a) the plan for removal or storage of equipment and materials; b) when final cleanup and reclamation of the land used will be completed; and c) when the Final Plan will be submitted.	REPORTS FINAL REMEDIAL
26(1)(c) Type and Size of Equipment		
16.	The Permittee shall only use equipment of a similar type, size, and number to that listed in the complete application.	USE APPROVED EQUIPMENT
26(1)(d) Methods and Techniques		
17.	The Permittee shall Dogleg lines, trails and right-of-ways that approach Watercourses or public roads.	DOGLEG APPROACHES
18.	The Permittee shall meander any new cut lines to a maximum sight line of 200 metres.	MEANDER LINES
19.	Prior to the movement of any vehicle that exerts pressure on the ground in excess of 35 kPa, the Permittee shall scout proposed lines and routes to select the best location for crossing streams and avoiding terrain obstacles.	DETOURS AND CROSSINGS
20.	Immediately upon completion of operations at each Borehole, the Permittee shall remove or cut off and seal each drill casing at ground level.	MINERAL EXPLORATION DRILL CASINGS
21.	The Permittee shall construct and maintain the overland portion of winter roads with a minimum of 10 cm of packed snow and/or ice at all times during this land-use operation.	WINTER ROADS

# General LWB process for permits and licences



Pre-application  
engagement



Application



Completeness  
check



Public Review



Responses to  
comments



Staff Report



Decision

Applicant

Potentially  
affected  
parties

Applicant

LWB Staff

Indigenous  
Governments and  
Organizations

GNWT Departments  
(ECC, ITI, INF, MACA,  
ECE, EIA, HSS)

Federal Departments  
(CIRNAC, ECCC, DFO)

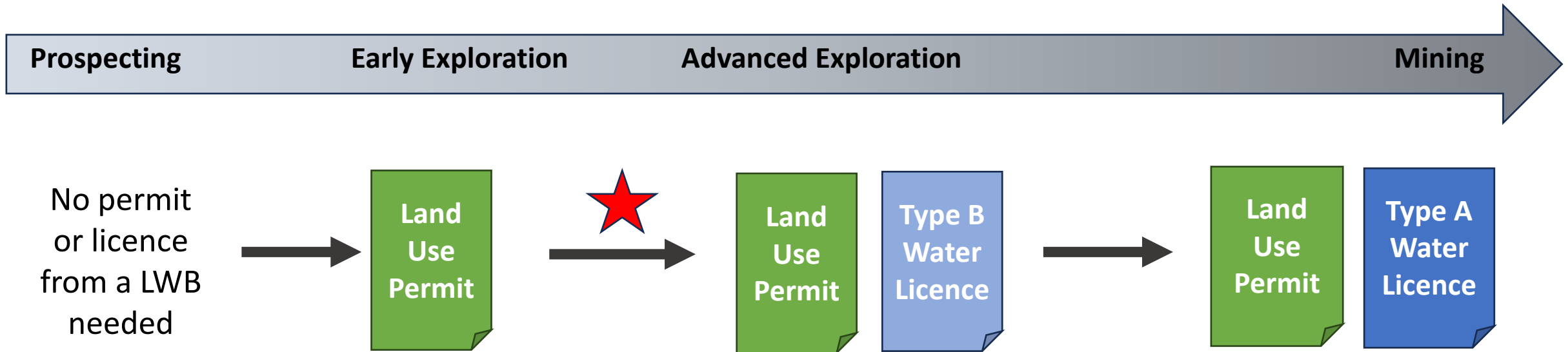
Applicant

LWB Staff

Board



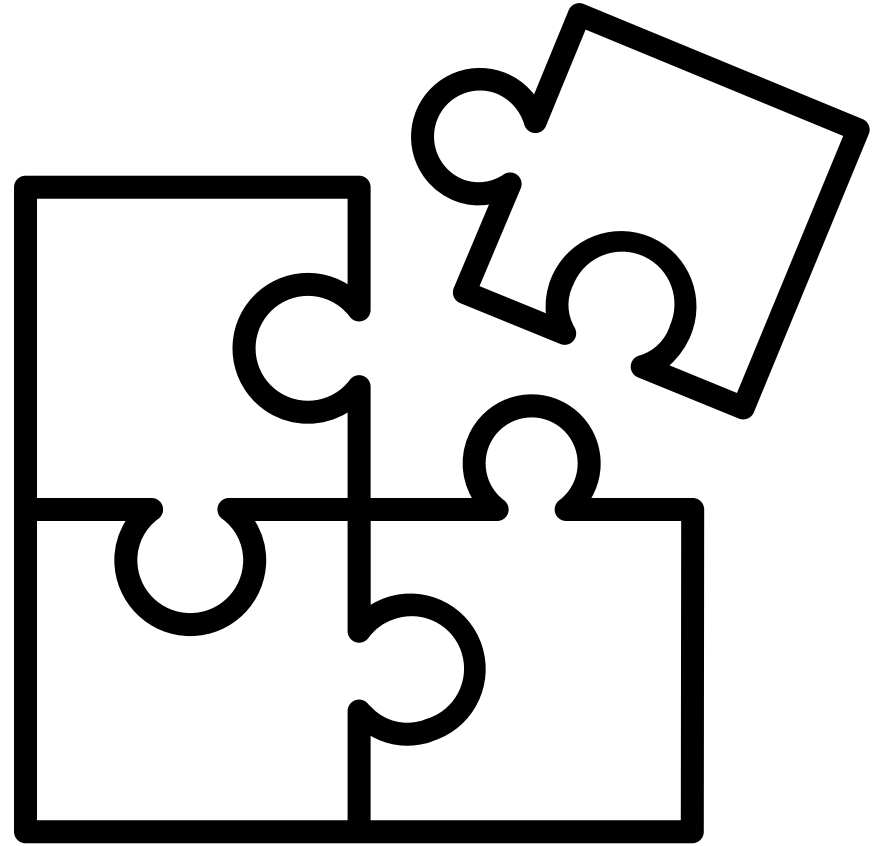
# Example: Mineral exploration to mining



As a project progresses, the requirements for authorizations also increases due to increased:

- Water use
- Equipment use
- Camp size
- Infrastructure
- Deposits of waste to water

# Efficiency of the Regulatory Framework in the NWT



Definition of Efficient:  
maximum productivity with minimum  
wasted effort and expense

---

# Challenges that set us up for failure

- **Education** – parties are not fully informed on the various processes
- **Capacity** – not everyone can participate in a system that relies on participation
- **Duplication** – of processes and authorizations between GNWT and LWBs
- **Legislation** – excessive time and money wasted trying to interpret unclear language

# 2020 Environmental Audit Findings

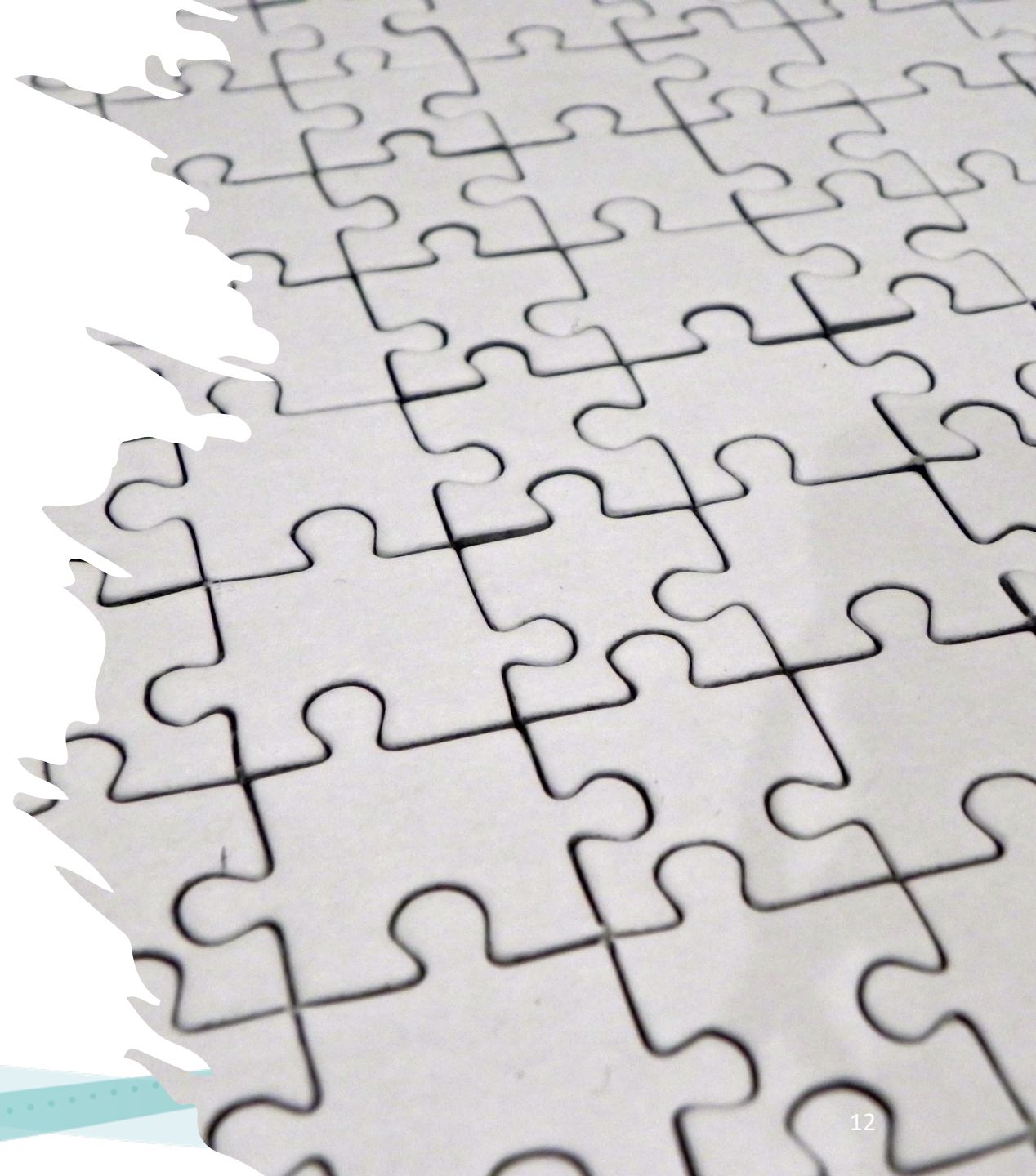
- Discussions with industry reveal a major disconnect between their perceptions of the regulatory process as complicated and uncertain
- The LWBs continue to create guidance to improve clarity and certainty in the process and solicit feedback from all parties, including industry, when developing these.
- Despite the efforts of LWBs, small exploration companies continue both to struggle with the application process and to meet its requirements. If allowed to persist, this disconnect between industry and regulators will continue to affect the level of exploration activity in the territory which, in turn, will affect the NWT's socio-economic environment.

# Setting us up for success

- **Education** – pathfinders with holistic understanding of regulatory processes
- **Capacity** – securing and advocating for increased resources
- **Duplication** – support co-management system
- **Legislation** – amendments that will resolve current disagreements on interpretation

# Coming together

The MVRMA sets out an integrated system of land and water management that is meant to fulfill several principles including the protection of the environment from significant adverse impacts, an inclusive system that provides an opportunity for everyone to be involved, consideration of both western science and Traditional Knowledge, the well-being of Indigenous Peoples, and reconciliation.

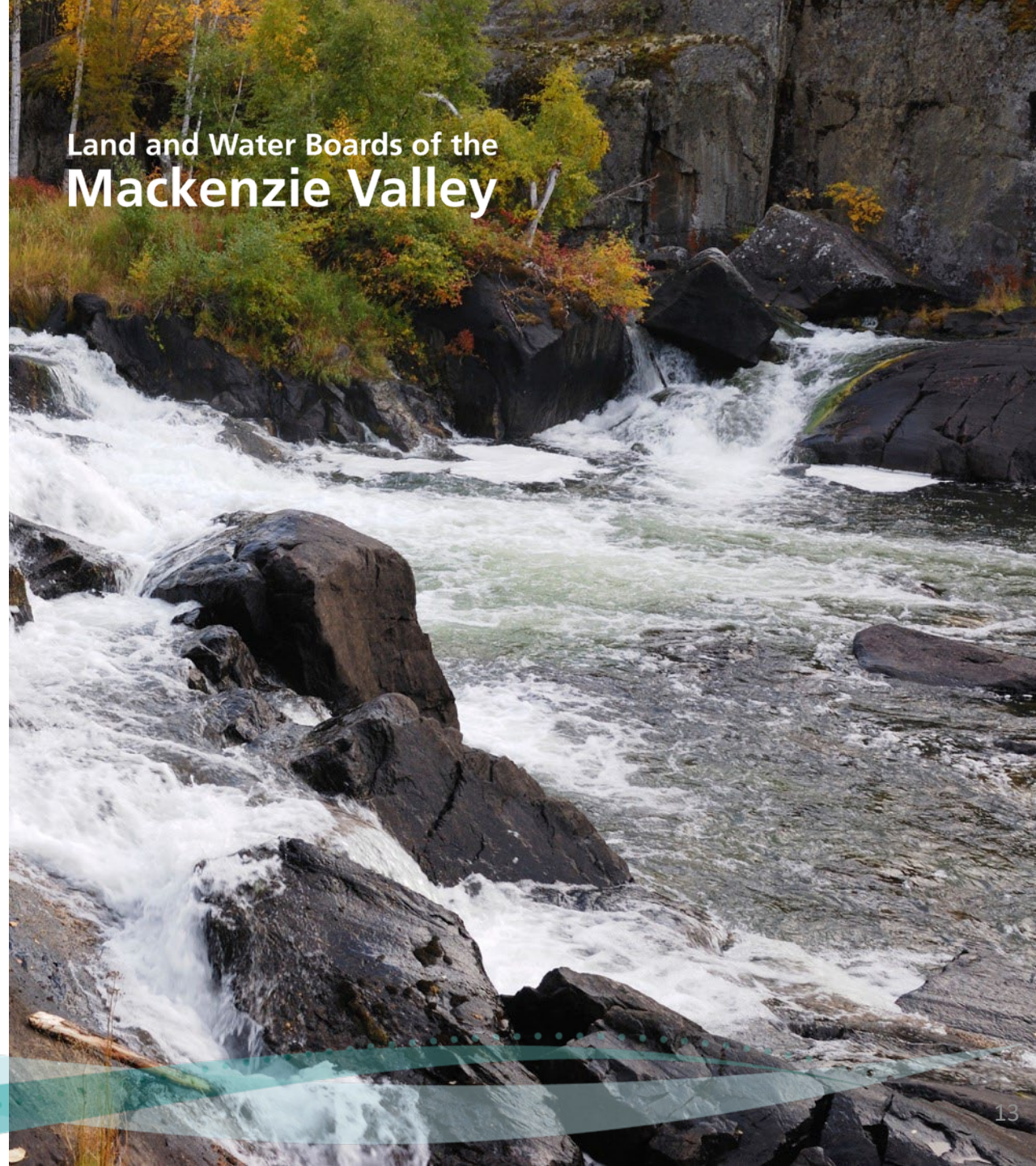




# Thank you

We look forward to questions now  
and further discussions going  
forward.

Land and Water Boards of the  
**Mackenzie Valley**





# Example: does water used for building ice bridges count when determining if a licence is needed?

## SCHEDULE H

(Sections 4 and 5)

### LICENSING CRITERIA FOR AGRICULTURAL, CONSERVATION, RECREATIONAL AND MISCELLANEOUS UNDERTAKINGS

<u>Item</u>	<u>Column I</u>	<u>Column II</u>	<u>Column III</u>	<u>Column IV</u>
	Water use/Deposit of Waste	Water Use and Deposit of Waste Permitted Without a Licence	Water Use and Deposit of Waste Requiring a Type "B" Licence	Water use and Deposit of Waste Requiring a Type "A" Licence
1.	Direct water use	Use of less than 100 m <sup>3</sup> per day or use for construction of an ice bridge if the water used is removed directly from the watercourse*	Use of 100 or more cubic metres per day and less than 100 cubic metres per day*	Use of 300 or more cubic metres per day*
(1)	Watercourse crossings	Construction of a structure	Construction of a structure	None



Crown-Indigenous Relations  
and Northern Affairs Canada

Relations Couronne-Autochtones  
et Affaires du Nord Canada

# Northwest Territories - Regulatory Initiatives

Presentation to the Government of the Northwest  
Territories - Standing Committee on Economic  
Development and Environment, July 11, 2024



Canada

# Presentation Outline

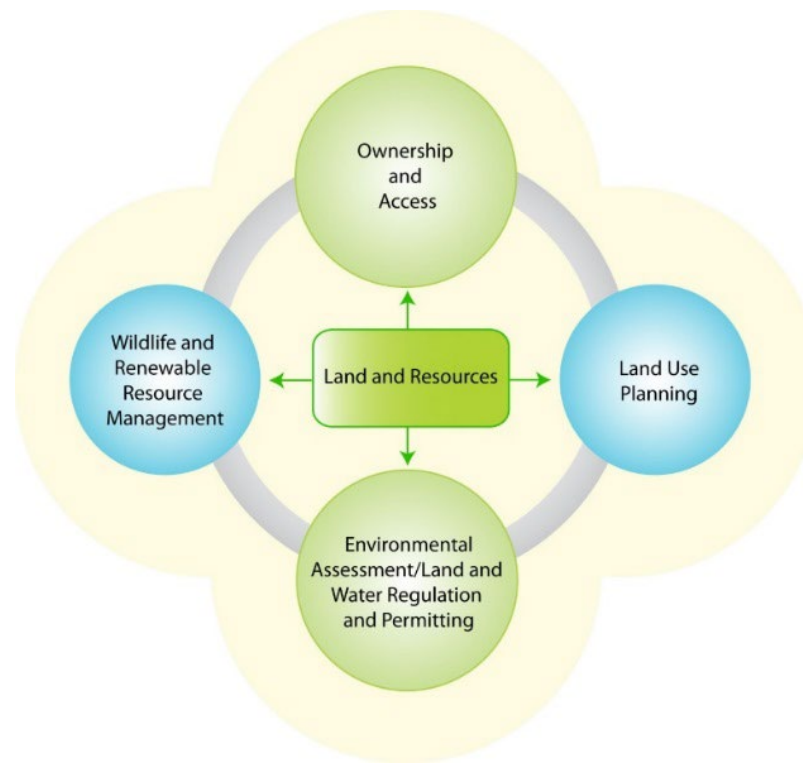
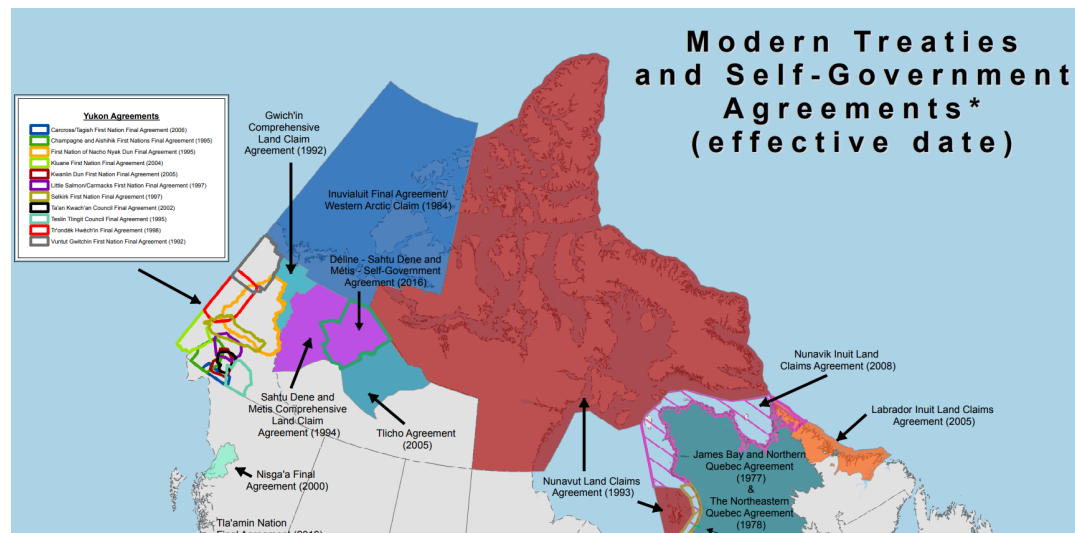
1. Northern Regulatory Regime Background
2. Canadian Critical Minerals Strategy - Northern Regulatory Initiative
  - Regional Study: Slave Geological Province
  - Mackenzie Valley Operational Dialogue
3. Northern Participant Funding Program
4. Next Steps and Opportunities





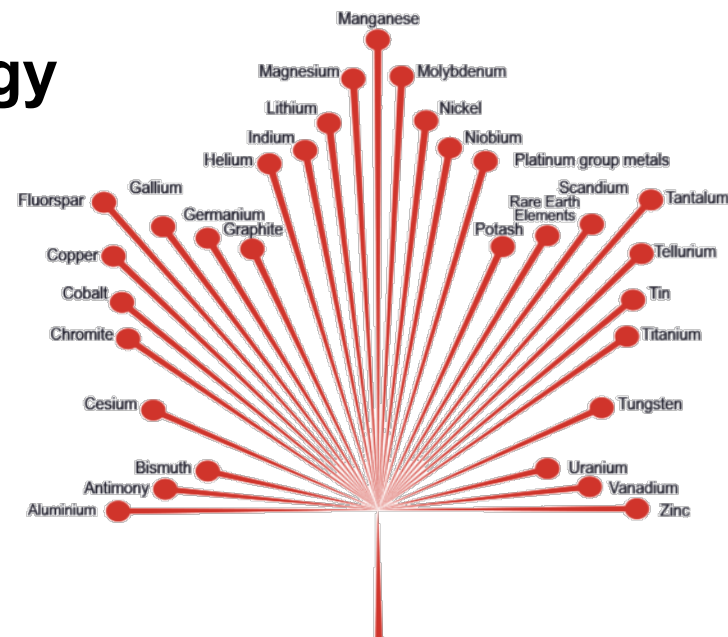
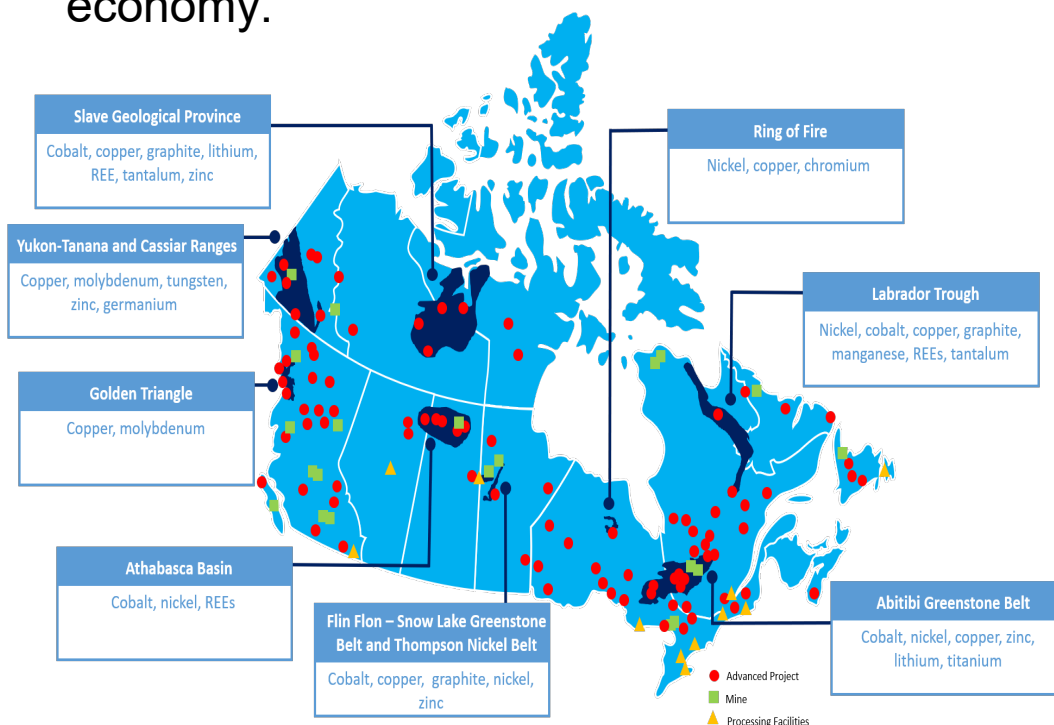
# Background

- The resource co-management regimes across the North are built on the foundation of modern land claim agreements that shape how Indigenous, territorial, and federal governments work together in the **co-management** of natural resources. They have been changing because of the devolution of responsibilities to territorial governments.
- The regulatory regimes are **integrated and coordinated**; they consider potential land, water, flora and fauna, culture and heritage, and social and economic impacts of proposed developments.
- Northern regimes establish **participatory** systems for resource co-management that relies on everybody's knowledge (traditional knowledge, local knowledge, and scientific knowledge).



# Canadian Critical Minerals Strategy

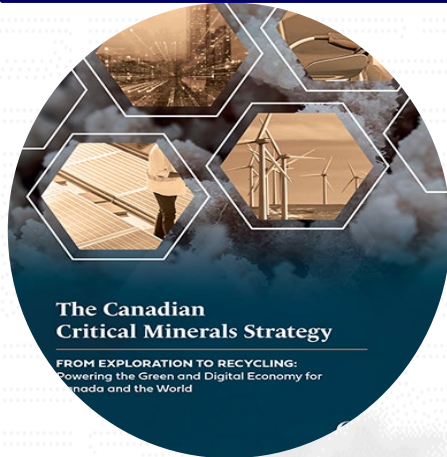
- The Canadian Critical Minerals Strategy intends to increase the supply of responsibly sourced critical minerals and support the development of domestic and global value chains for the green and digital economy.



***Additional CM as of 2024: high-purity iron, phosphorus, and silicon metal***

- Critical Minerals are crucial to meeting Canada's net-zero targets. The impacts of climate change have fueled the urgency to support clean technologies.
- 23 of Canada's 34 critical minerals occur in the Northwest Territories.

# The Northern Regulatory Initiative (NRI) under the Critical Minerals Strategy (CMS) aims to advance key elements of the systems that have been identified as regulatory challenges



## The Northern Regulatory Initiative

includes \$40 million over 7 years to support northern regulatory processes

**Objective:** support efficient, effective, and inclusive northern regulatory regimes.

**To accomplish the objectives of the CMS and NRI, resources will be used to support:**

Participation  
in resource  
management  
processes  
(IA and LUP)

Crown  
consultation  
clarity and  
coordination

Regional/  
Cumulative  
Effects  
Studies

Multi-party  
Regulatory  
Dialogue  
Tables

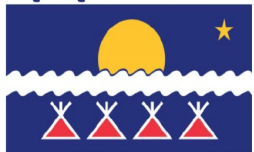
*Work with governments, partners, rights holders, and stakeholders in each of the three territories to advance these four areas.*





# Regional Studies – Slave Geological Province (SGP)

Tłı̨chǫ Ndeƛ'àowō



Tłı̨chǫ Government

Tłı̨chǫ Government Grand Chief requested a Regional Study in the SGP prior to major anticipated development:

*“To make good decisions about the future of this region, we need good information...An evidence-based, non-political assessment would help show the full picture of potential impacts, benefits, and trade-offs.”*



# Regional Studies – Slave Geological Province (SGP)

## Minister's Support

*“The importance of cooperation and collaboration, along with fairness and transparency, cannot be understated—partners emphasized these elements as critical to the study’s success [...] I support a collaborative approach to the design and implementation of the study.”*

The Right Honourable Dan Vandal, Minister of Northern Affairs

## Study Criteria

1. Fair and transparent process; maximize participation
2. Identify impacts to caribou and strategies for mitigation
3. Consider northern priorities
4. Focus on the Mackenzie Valley (NWT) portion of SGP
5. Design for near-term anticipated development (2-3 years) and into the future
6. No interruption of existing regulatory / planning processes

## Status & Next Steps

- Working with governments on governance structure (i.e. Committee Terms of Reference), will make recommendations to Federal Minister
- Call-out for interest for Committee members
- Federal Minister to initiate the study (targeting Fall/Winter)





# Regulatory Dialogues

## Mackenzie Valley Operational Dialogue (MVOD)



- A venue for Indigenous Governments and Organizations, federal and territorial governments, industry, and resource co-management boards, to come together to discuss **operational regulatory challenges and opportunities**
- Scope focused on small-scale mineral exploration challenges (SE NWT)
- MVOD tracks progress on operational recommendations from the NWT Environmental Audit
- Updates/discussion on CMS and other regulatory initiatives



The only venue outside of project proceedings where partners can convene to share perspectives on regulatory challenges, identify common regulatory priorities, and collectively work together to advance solutions

# Regulatory Dialogues

## Mackenzie Valley Operational Dialogue

### Actions

- Learn histories, understand different perspectives/interests, share knowledge and information, build relationships and trust
- Help to build business cases for additional resources and learn perspectives to inform priorities/actions (e.g. requested amendments to water regulations)
- Analytics
- Ongoing outreach and education (e.g. May Lithium 101 session)

### Next Steps

- Building Capacity
- Exploring the Water Regulation amendment request
- Information requirements – to scale of development (ongoing)
- Analytics (continue)
- Virtual touchstone meeting (Fall/Winter)



# Other Federal Supports

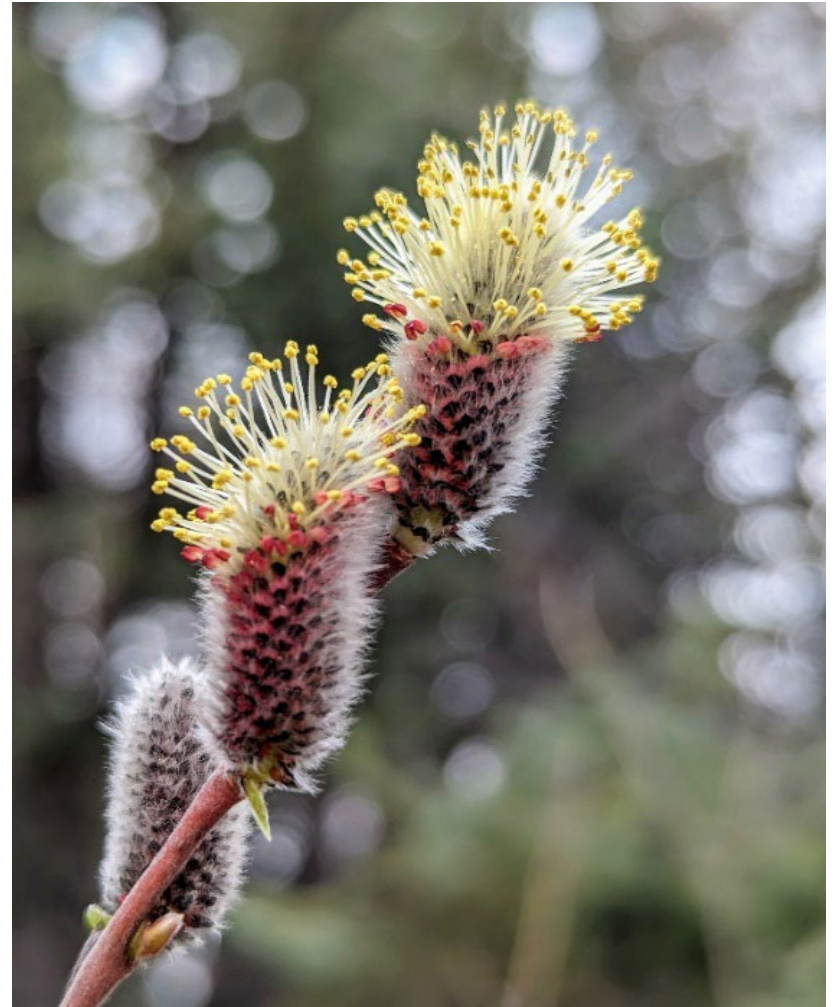
## Northern Participant Funding Program (NPFP)

- Established in 2018 for impact assessment projects; extended in 2023 for 5 years and expanded to include regulatory processes (with very limited funding)
- Supports Indigenous governments and organizations, and northerners to facilitate their meaningful participation in the **environmental and socio-economic impact assessment processes** established under land claims agreements in Canada's three territories
- Funding is made available for impact assessments of **large, complex or controversial resource development or regional infrastructure projects** (i.e., “major” projects)



# Opportunities

- Modern treaties and territorial/federal resource management legislation are inherently linked. The importance of coordination and collaboration between governments to advance resource management priorities cannot be understated.
- Actions to advance the regulatory landscape must seek to lift up the co-management system that has been developed with treaty partners and must reflect the participatory design of the regime.
- Our relationships are our strength.







Crown-Indigenous Relations  
and Northern Affairs Canada

Relations Couronne-Autochtones  
et Affaires du Nord Canada

Thank You



Canada



# Addressing Land and Water use Permitting under the MVRMA and its Operational Effectiveness

To: Standing Committee on Economic Development & Environment  
June 2024

## Re: Your Directions

- Your directions to us:
  - *Committee would like to hear from the NWT & NU Chamber of Mines on its perspective and experience with the effectiveness and efficiency of the current regulatory framework for land and water use permitting, including which challenges or gaps may exist, capacity constraints for stakeholders and IGs, and areas of opportunity to inform Committee's review.*
- We also recommend you read the [NWT Environmental Audit 2020](#) and its [Technical Report](#)
  - Under MVRMA: Clause 148(3)(c) *An environmental audit shall include ... a review of the effectiveness of the regulation of uses of land and water ...*
  - Also, the freshly launched 2025 Audit is also tasked to review *c) the effectiveness of the regulatory system*

# Our Approach Today

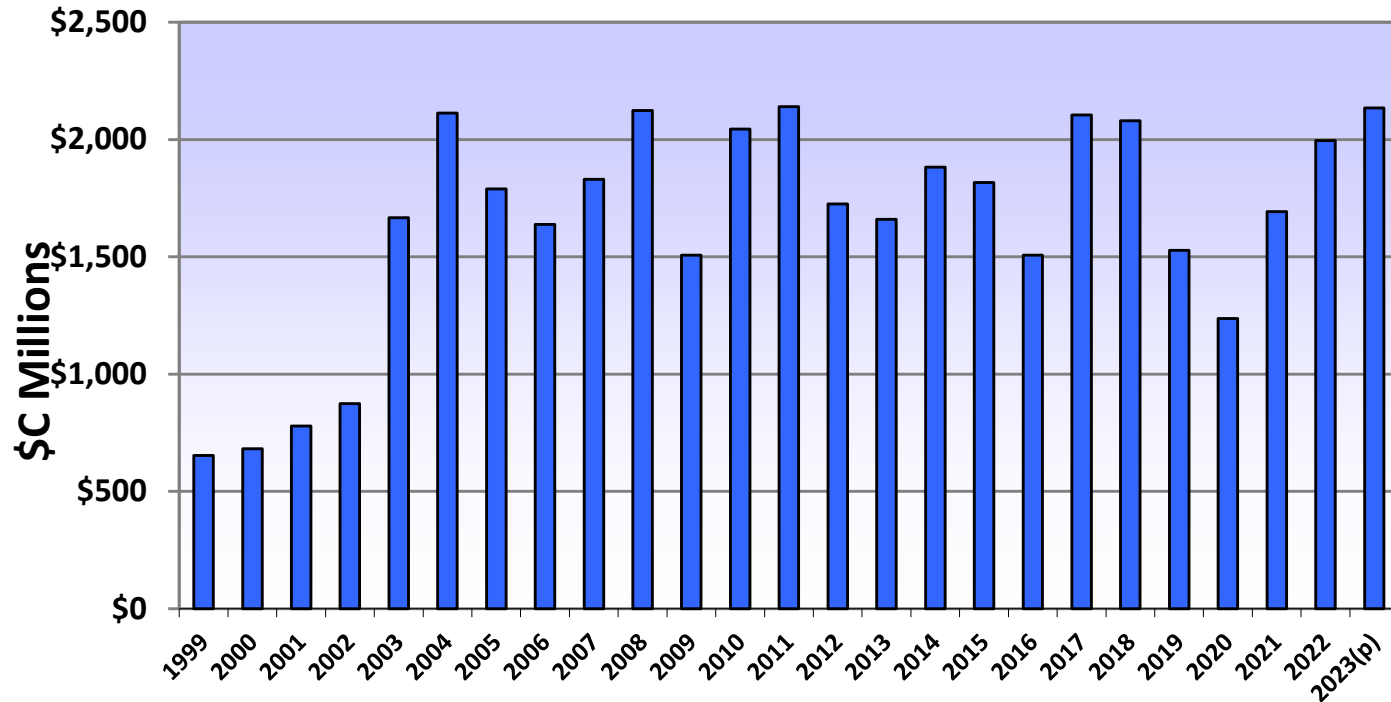
- Context on why this work is important; how we got to Eyes Wide Open
- Details of our Land & Water Permitting Experiences
- Some considerations going forward
- The Critical Minerals Opportunity
- Discussion



# Why Sustaining your Industry is Important

## *NWT: World-class Diamond Production and Benefits*

**NWT Mining Production**



Natural Resources Canada – April 2024

### **SIGNIFICANT BENEFITS**

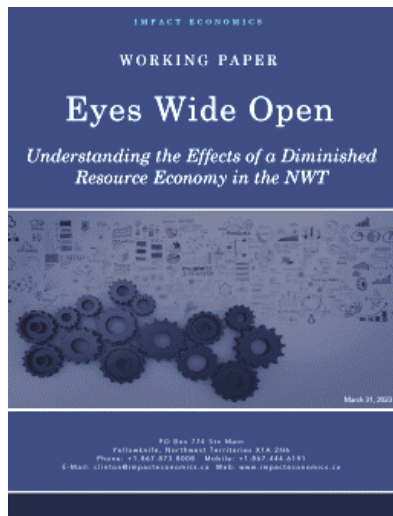
- 33,613 PY's Employment for NWT residents
- \$8.16 Billion NWT Indigenous Business
- \$10.14 Billion Other NWT Business
- \$7.95 Billion Southern business
- **TOTAL: \$26.26 Billion business**

*NWT is the world's 3<sup>rd</sup> largest global diamond producer and 4<sup>th</sup> most valuable*

# Why Sustaining your Industry is Important: Averting this

## *“The nature of the NWT economy is about to change in a profound way”*

- Maturing diamond mining and O&G
  - The economy will be smaller
  - There will be fewer jobs
  - There will be less disposable income
  - Government will have less revenue
  - There will be fewer people



Impact Economics, 2024

- Significant Economic Losses

### Yellowknife

- 1,305 jobs
- \$173 million labour income
- 13.4% of income

### Rest of NWT

- 575 jobs
- \$73 million labour income
- 7.9% of income

**Quote: *Anyone who considers themselves a leader, whether an elected leader or a leader through action, needs the information presented in this paper. This is a conversation that should have started the day Ekati mine produced its first diamond almost 25 years ago, but having not done so then is not reason to avoid it now.***

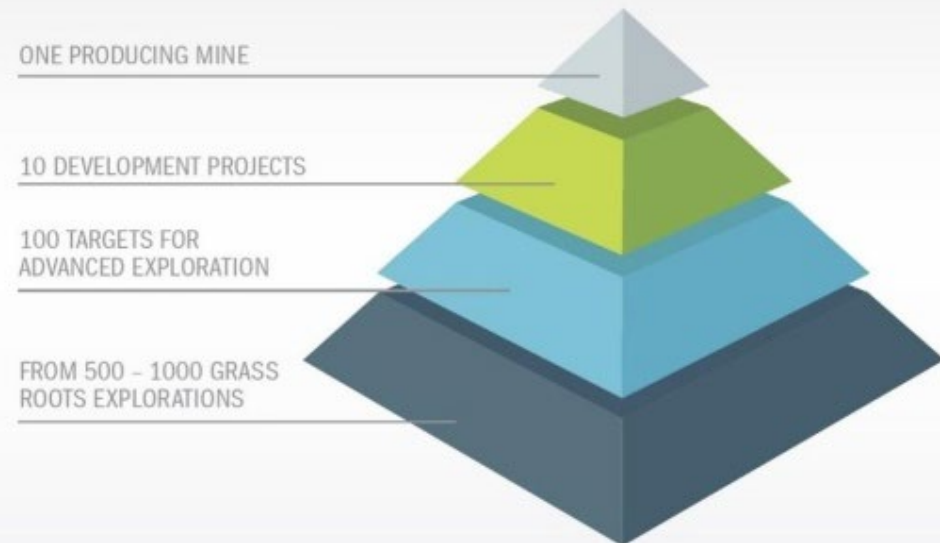
# Healthy, Successful Exploration is key to mining sustainability

## But exploration is risky

- Not every project becomes a mine
- The odds are very much against exploration success, generally only 1:1,000 means 999 failures – most explorers will not be successful
- The Secret:
- Seek/support/incent strong exploration investment



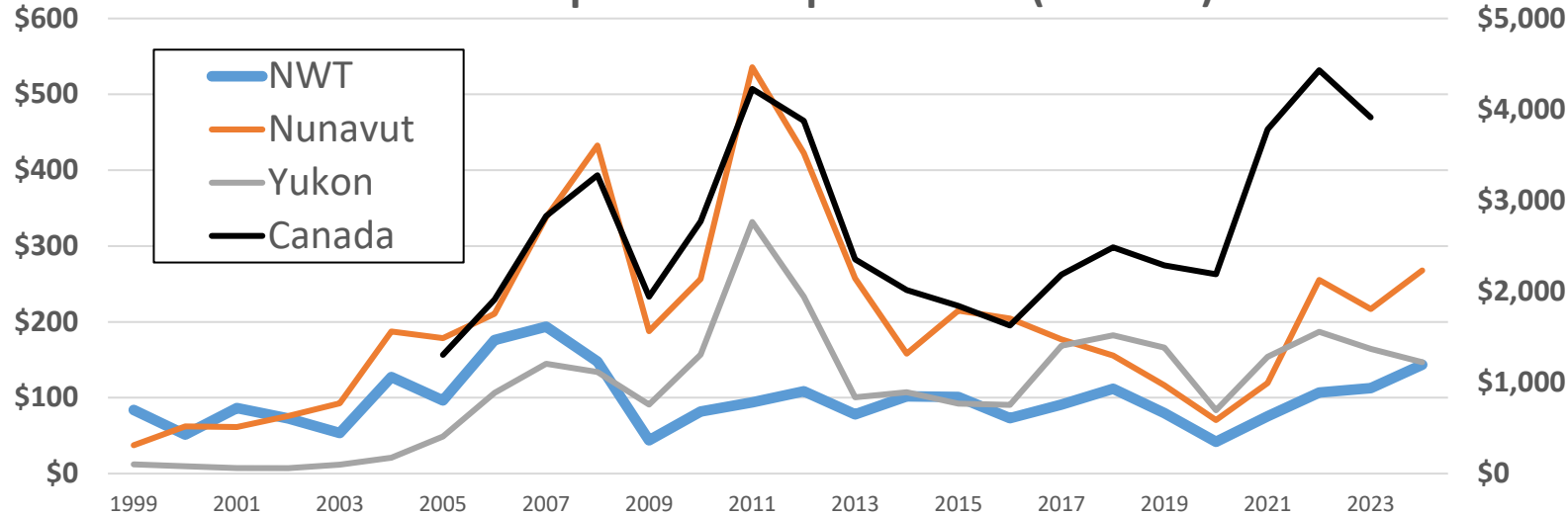
**Only 1 in 1,000 exploration projects becomes a mine**



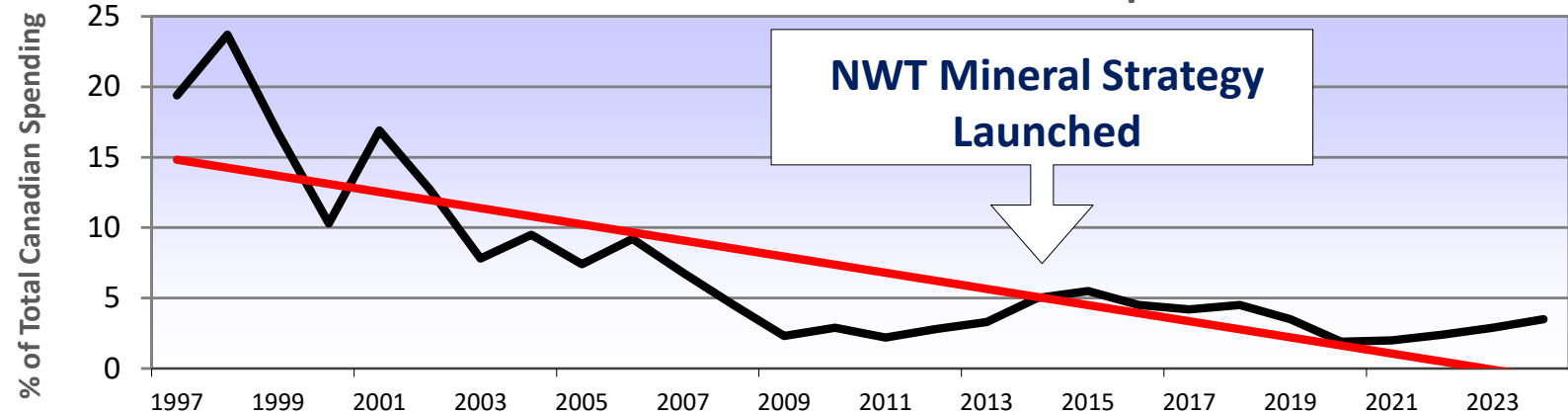
•Graphic courtesy Fraser Institute

# Challenge: Exploration to sustain mining continues to underperform

Mineral Exploration Expenditures (millions)



NWT as % of Total Canadian Mineral Exploration



Natural Resources Canada – February 2024

## Money is a Coward

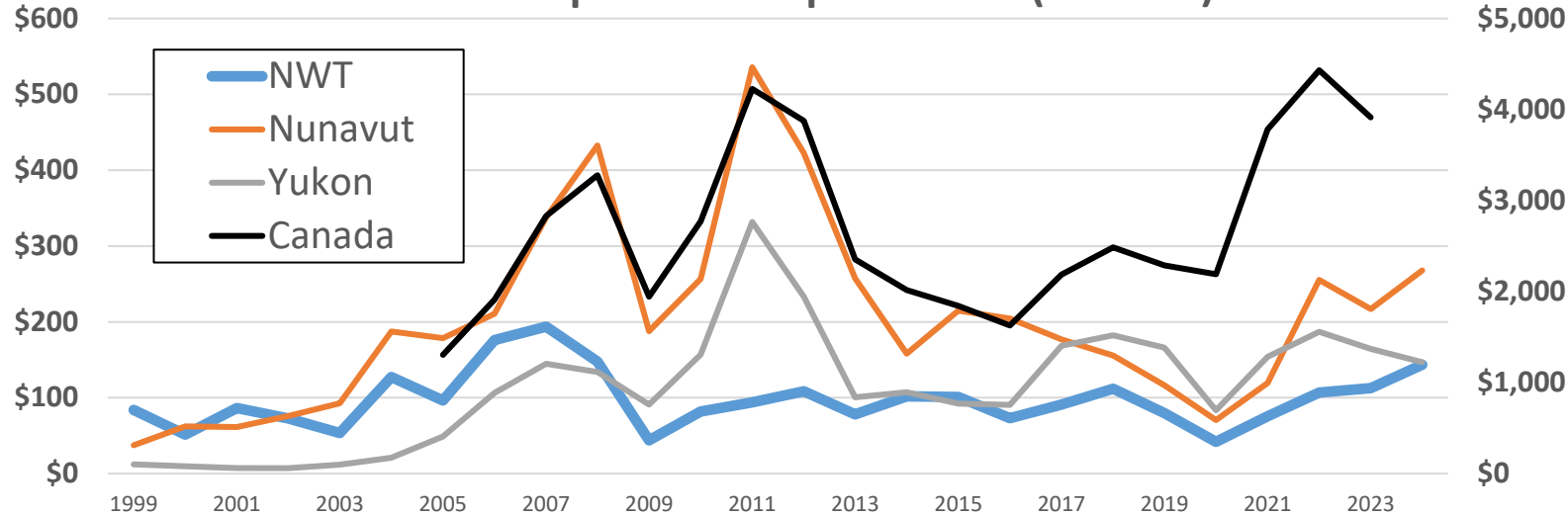
- Investment goes to less risky, less expensive, less complex, more attractive jurisdictions

## Why NWT underperforms

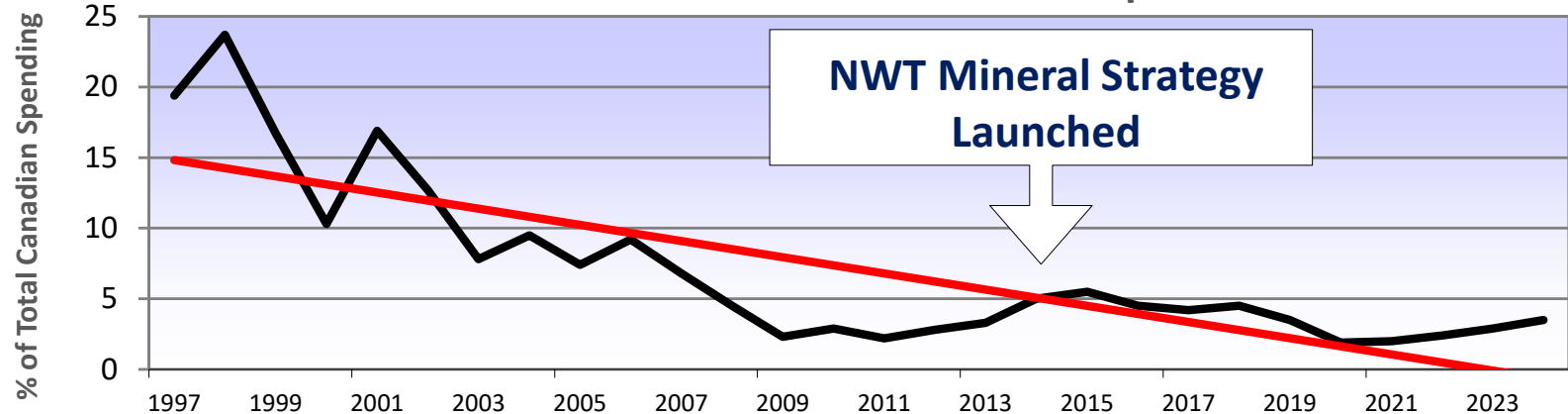
- Weaker government tax incentives than provinces
- **Higher NWT costs due to overly complex regulatory processes**
- Shrinking access to mineral rich lands (conservation, unsettled land claims, etc.)
- Higher costs due to having Canada's largest and significant infrastructure deficit
- Aviation regulations now inflating costs, reducing results

# Challenge: Exploration to sustain mining continues to underperform

Mineral Exploration Expenditures (millions)



NWT as % of Total Canadian Mineral Exploration



Natural Resources Canada – February 2024

- NWT investment was out of step with Nunavut, Yukon, Canada, and the world
- Given our mineral potential is equally high, and we operated in the same marketplace, this means the NWT created this problem itself, internally.
- As a result, compared to Yukon & NU investment, **NWT missed out on \$1.4 Billion in exploration investment**

# Unfortunately, it's not getting better

## Fraser Institute Survey of Mining Companies 2023 (May 14, 2024)

- NWT continues to languish in exploration attractiveness, quote:
  - *Some Canadian jurisdictions fail to capitalize on their strong mineral potential due to a lack of a solid policy environment. ... the NWT, despite being among the top ten most attractive jurisdictions for mineral endowment, rank 45th, when considering policy factors alone.*
    - NWT's mineral potential index ranks it very high at 5<sup>th</sup> in World but ...
    - scores second lowest in Canada in terms of policy factors, at 45 out of 86
- NWT's policy environment is damaging is Investment Attractiveness (#24)
  - *The governments in NWT, alongside the federal government, impose regulatory challenges and high costs, prompting companies to explore mining opportunities in jurisdictions beyond Canada.*  
... A consulting company, Senior management





# Some actions that made the NWT less attractive

- These events increased investment uncertainty, reduced land access, added costs
  - **2000 – ?**: Unsettled land claims affect land access, create uncertainty
  - **2000-2014**: NWT Protected Areas Strategy – \$25 million campaign withdraws 60,000 sq.km.
  - **2007**: Akaitcho “interim” withdrawal land claim: **62,000 km<sup>2</sup>**
  - **2007**: Thaidene Nene interim land withdrawal: **33,690 km<sup>2</sup>**
  - **2007**: Akaitcho blocks **18,000 km<sup>2</sup>** Upper Thelon exploration, companies lost \$25 million – leave
  - **2008**: Akaitcho demand unrealistic/illegal requirement for onerous Exploration Agreements
  - **2009**: Akaitcho challenges approval of North Arrow Minerals grassroots Li-project – cancelled
  - **2010**: Akaitcho ‘public concern’ triggers EA for TNR Gold grassroots project – they leave
  - **2015**: ‘Public concern’ triggers EA for minuscule grassroots sand exploration – halted
  - **2016**: UNESCO biosphere reserve removes over **93,000 km<sup>2</sup>** around Great Bear Lake
  - **2014-2024**: Policy creep through regulatory boards – bathymetry, water use, Type A requirements for Type B work, inspector powers, etc.
  - **2020**: NWT Environmental Audit confirms regulatory/policy issues



# A key finding of the NWT Environmental Audit 2020

- A key quote in the *NWT Environmental Audit 2020* recognized Industry concerns:
  - *“Despite the efforts of LWBs, small exploration companies continue both to struggle with the application process and to meet its requirements. If allowed to persist, this disconnect between industry and regulators will continue to affect the level of exploration activity in the territory which, in turn, will affect the NWT’s socio-economic environment.”*
- In essence, the LWB’s have negatively affected NWT’s socio-economic environment
- This contributed to the “Eyes Wide Open’s” negative economic situation

## Result: *Mackenzie Valley Operational Dialogue* created

- MVOD created in 2020 in response to concerns raised by industry but with a mandate to only seek operational improvements
  - Parties meet (outside of specific projects) to provide updates on regulatory initiatives, share knowledge, discuss challenges, and collaborate on work plans
  - Focuses on shared objectives and goals of all participants using a dialogue-first approach to develop solutions together to better serve all
  - Goal: Maintain a regulatory regime in the Mackenzie Valley that is understood, trusted, effective, and efficient for all involved
- In 2023, under umbrella of Canada's Critical Minerals Strategy, MVOD was sanctioned to seek regulatory improvements too

## Some of Industry's concerns

- Board / Government Policy creep over many years
  - Grassroots exploration treated as Advanced Exploration
  - Water use definition overkill (Circulating water, ice pads, ice roads)
  - Type B water licenses treated as Type A – unnecessary cost and time
  - Advanced exploration project treated as mining & milling (eg, KDI)
  - Inspectors' powers diminished – Created bathymetry consequence

# Early-stage, “grassroots” exploration is NOT Advanced

- Exploration Goal: To find a mineral deposit (not a mine, yet)
  - Very small footprint, over large area
  - Small camps, perhaps ~10-30 workers
  - Mapping; Sampling by prospecting, channel sampling, trenching
  - Geophysical and Geochemical surveys
  - Diamond drilling (note diamond drilling is not just for diamonds 😊)
  - Low water use





# Advanced Exploration

- Exploration goal: to determine shape, size, tonnage, quality of the mineral deposit(s) discovered in early-stage exploration
  - Larger camps for larger workforce (~50-200)
  - More intensive work: more/larger drilling, perhaps even underground mining to remove tonnages of rock samples, more equipment
  - Smaller footprint but larger water use





# Advanced Exploration is not Mining



- Example Kennady Diamonds

# Water Use

- Interpretation that recirculation from a water source was a 'use' came around 2018, with the first issuance of the water use bulletin from the LWBs.
- Consequence: it pushed some projects to either get a Type B Water License or reduce drilling (down to as little as one drill to stay under <100 m<sup>3</sup>).
  - Note: one drill only uses about 30-40 m<sup>3</sup> of water. The remainder of use went to recirculation
- Type A licenses vs Type B – much more costly, comprehensive, time consuming
  - Overkill to require a Type A where Type B is necessary



## Action required

- In May 2024, the Land and Water Boards of the Mackenzie Valley collectively recommended to GNWT and CIRNAC/Northern Affairs Ministers:
  - The Regulations are outdated and a source of uncertainty in the regulatory process
  - Focused amendments to the Regulations should be prioritized over updates to the Waters Act
  - Many proponents and some co-management partners support focused amendments to the Regulations
  - A discussion between co-management partners needs to be reinitiated
- **The Chamber of Mines has agreed with these recommendations**

# Considerations Moving Forward

- Regulators need to pay more attention to socio-economic effects
  - The MVRMA is unique legislation requiring not just a focus on biophysical effects but on economic well-being.
  - Economic benefits and well-being of residents seem to have been lost
- Listen to industry – we are here at governments' request to help
  - We flagged concerns 10+ years ago – action was far too slow
- Move more quickly on Audits
  - The 2025 Audit is now underway, yet recommendations of the previous Audit are still outstanding

# The Critical Minerals Opportunity

- Critically important globally to address climate change
- We are facing the biggest transition since the horse to automobile
- Demand for minerals critical to this transition are significant
- China has established a concerning dominance
- Canada and its allies have created strategies and are committed to significantly boosting critical mineral exploration, development, production and use
- The NWT, with its significant untapped mineral potential, has unprecedented opportunities available to it
- Your work can help seize these opportunities

# Discussion

- Open for discussion



# Presentation to SCEDE

## Land and Water Permitting Under the Mackenzie Valley Resource Management Act

October 11, 2024  
Tłıchǫ Government

Tammy Steinwand-Deschambeault  
Director Lands & Culture Protection

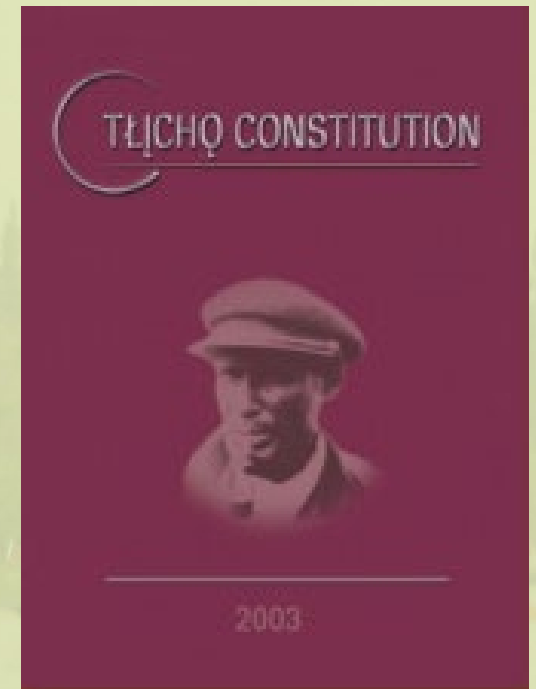
Itoah Scott-Enns  
Director Planning & Partnerships





# Who We Are

- Effective date on August 4, 2005 – A date of formal **recognition** of the Tłıchq as a Nation
- Three Party Agreement – Tłıchq, Canada and GNWT
- Agreement provides certainty in respect of rights of the Tłıchq relating to land, resources and governance
- The Agreement ensures that the Tłıchq language, culture and way of life is preserved, protected and promoted



# Who We Are

## Department of Culture and Lands Protection

- Protection of Tłıchǫ traditional territory – land, water, environment
- Participate in regulatory reviews in Mǫwhì Gogha Dè Nııtlèè





# Who We Are

## Department of Planning and Partnerships

- Intergovernmental Relations
- Legislative Development
- Tracking Implementation of Tłıchǫ Agreement





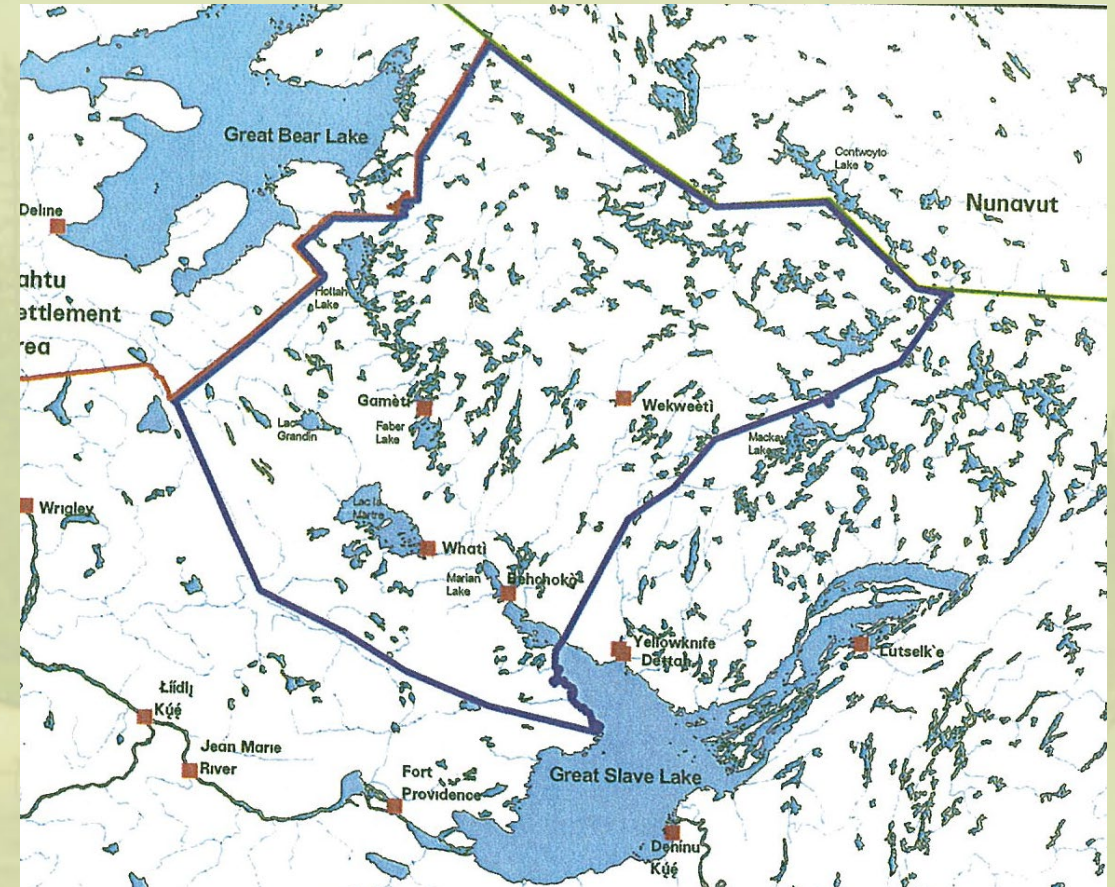
# Summary: Our Recommendations for Action

1. Our regulatory system is treaty-based and constitutionally-mandated
  - **We need to embrace it, and avoid adding confusion or duplication**
2. Core principles are fundamental and unwavering, but operation is flexible and open for continuous improvement
  - **Immediate opportunity: targeted updates to water regulations for clarity and consistency**



# Modern-Treaty-Based Resource Management

- Indigenous People & Northern Residents participate in decisions that affect us
- Avoid problems of the past
- Self-determination
- Fundamental principles to guide land and water regulation





# Core Principles



- Co-management
- Optimum benefit for residents
- Holistic scope
- Well-being and way of life of Indigenous People

# Implementation & Operations

- Principles are operationalized through Co-Management Boards and guided by:

- Legislation (federal, territorial)
- Regulations
- Policies & Procedures
- Guidelines & Practices
- Case-by-Case

Flexibility



# Challenges to the Core Principles

- GNWT approaches to “administration and control” of our shared lands
- Political influences
- *Implications for:*
  - *Respecting our treaties*
  - *Maintaining a healthy environment*
  - *Economic opportunities and socioeconomic well-being*
  - *Regulatory duplication and confusion*





# Operational Challenges



- Outdated & Unclear Regulations
- Communication & Education
- *Implications for:*
  - *Regulatory burden*
  - *Lost time and resources*
  - *Missed opportunities*



# Opportunities – Continuing Collaboration



- Intergovernmental Council
- Legislative Development Protocol
- Legislative Assembly Process Convention

**Legislative Assembly, IGC, GNWT can all work together – Working together is always better than a unilateral approach**



# Opportunities – Embrace **Our** System



- Support our co-management Boards as they work to achieve the objectives set in the treaties: optimum benefit of residents
- As Governments we have tools to direct how the regulators work
- But value decisions are up to the Board members





# Opportunities – Continuous Improvement

- Core principles are set, everything else is adaptable
- **Immediate opportunity** to start addressing outdated & unclear regulations
  - Targeted updates to **Water Regulations** that can make a meaningful difference
  - Opportunity to enhance clarity and certainty – a shared goal
  - Keep the process focused and timely

# Summary

- We have world-class modern regulatory system
- Real challenges and opportunities
- Room for continuous improvement
- Unwavering principles, adaptable processes





# Recommendations for GNWT

- Strengthen Collaborative Approaches
- Embrace the treaty-based co-management system and avoid duplication
- Take advantage of immediate opportunities to update and clarify the waters regulations





# Masìcho!





**LAKE WINN**  
RESOURCES CORP.

## HARD ROCK LITHIUM

Drill Ready: Little Nahanni Pegmatite  
Group (LNPG) NWT Canada

**TSXV: LWR & FSE: EE1A**

Corporate Presentation October 2024

Photo Credits: Archer Cathro channel sampling LCT pegmatite 2016 LNPG Project



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#### **Qualified person**

The qualified person for this news release is Buddy Doyle, AUSIMM, a geologist with over 35 years of experience in mineral exploration, discovery and evaluation. Mr. Doyle is a qualified person under the provisions of National Instrument 43-101.





# About Lake Winn



TSX.V: LWR & FSE: EE1A

## Lithium

The main focus is advancing and developing its 100% owned Little Nahanni Pegmatite Group (LNPG) project in NWT Canada. Where it holds the majority of a drill confirmed multi-kilometer LCT (Lithium, Cesium, Tantalum and Tin) dyke swarm. The task ahead is to develop an economic deposit by drilling.

## Gold

Lake Winn also has purchased an option for two 100% owned gold properties in Manitoba. Lake Winn drilled the Cloud property in 2021 and has historic drilling on the Quartz property.

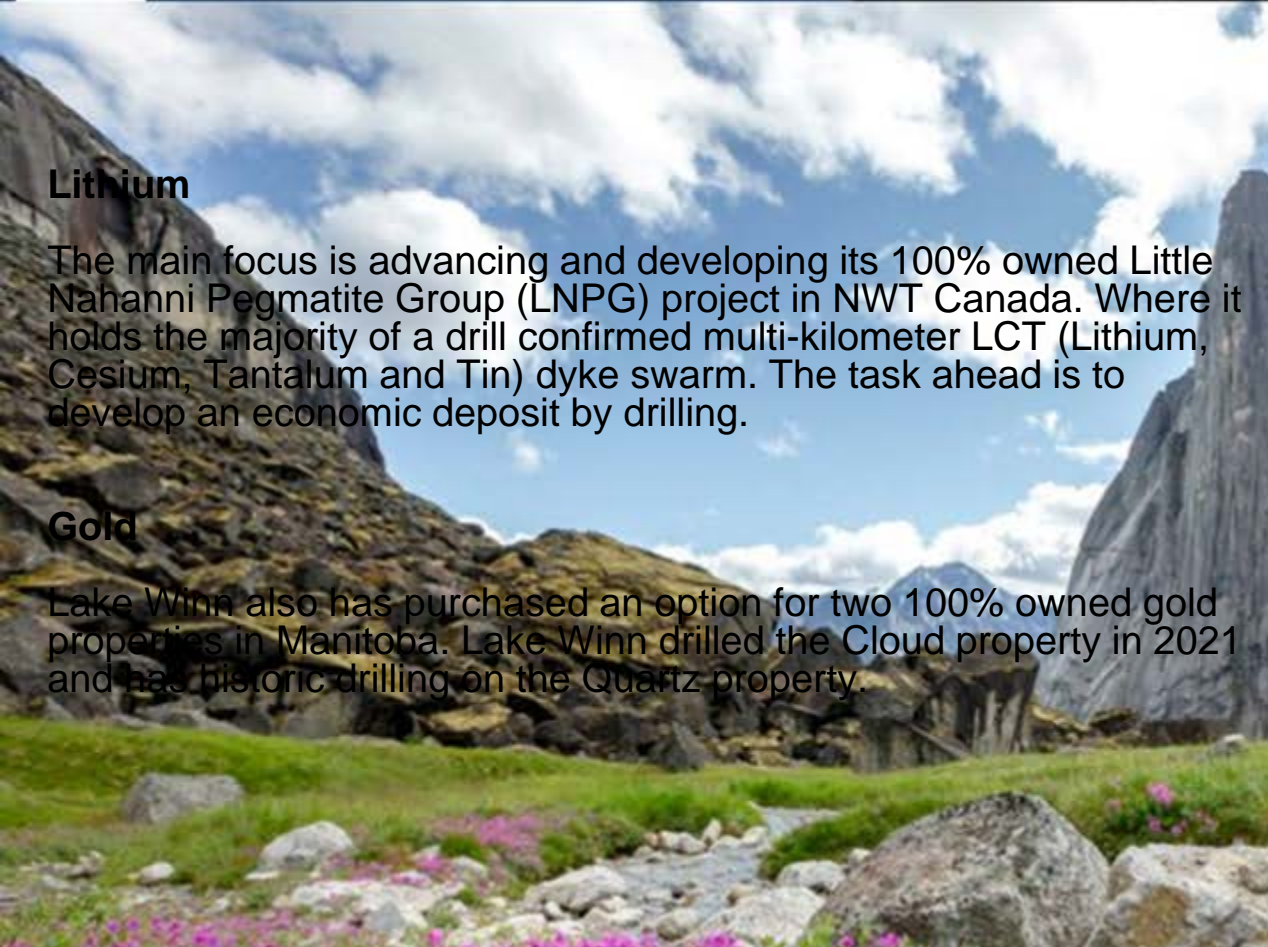


Photo Credits: Archer Cathro channel sampling LCT pegmatite 2016 LNPG project



TSX.V: LWR & FSE: EE1A

JUNIOR COMPANY WITH A 30 YEAR HISTORY OF WORKING IN THE TERRITORIES  
DIAMONDS NICKEL LITHIUM

OVER \$40M spent over 30 years.

Approxx \$2M spent on the LITHIUM PROJECT to date

AN ADVANCED DRILL READY EXPLORATION CTL PEGMATITE SWARM

LAKE WINN AS THE SOUTHERN SECTION OF THE SWARM,

THE BIGGEST CHALLENGE IS FINANCING IN A CYCLIC MARKETS



# LNPG – Location and Existing Infrastructure

TSX.V: LWR & FSE: EE1A



## RICH MINING DISTRICT WITH EXISTING INFRASTRUCTURE

Expansive project area covering 97 km<sup>2</sup> (9,682.5 ha).

Located in an established mining district within 40 km of both the Cantung Tungsten Mine and the Howard's Pass Zinc-Lead Deposit.

Heli-Supported from staging area near the Cantung Mine.

Howard's pass road is disused but can be re-opened.

Study shows a 12 km truck grade road can be made to the project for circa \$20 M.





# Little Nahanni Pegamatite Group LNPG Project



TSX.V: LWR & FSE: EE1A



100% Ownership (2% NSR to Strategic Metals).

Lithium Tungsten Cesium Pegmatite, same rock type as the largest lithium mine in the world at Greenbushes, located in western Australia.

Canada's Critical Minerals Strategy has commissioned to build a lithium refinery in Thunder Bay Ontario expecting to start 2028.

Good rapport with pro-business NWT indigenous stakeholders Nahʔa Dehé Dene Band (NDDB).

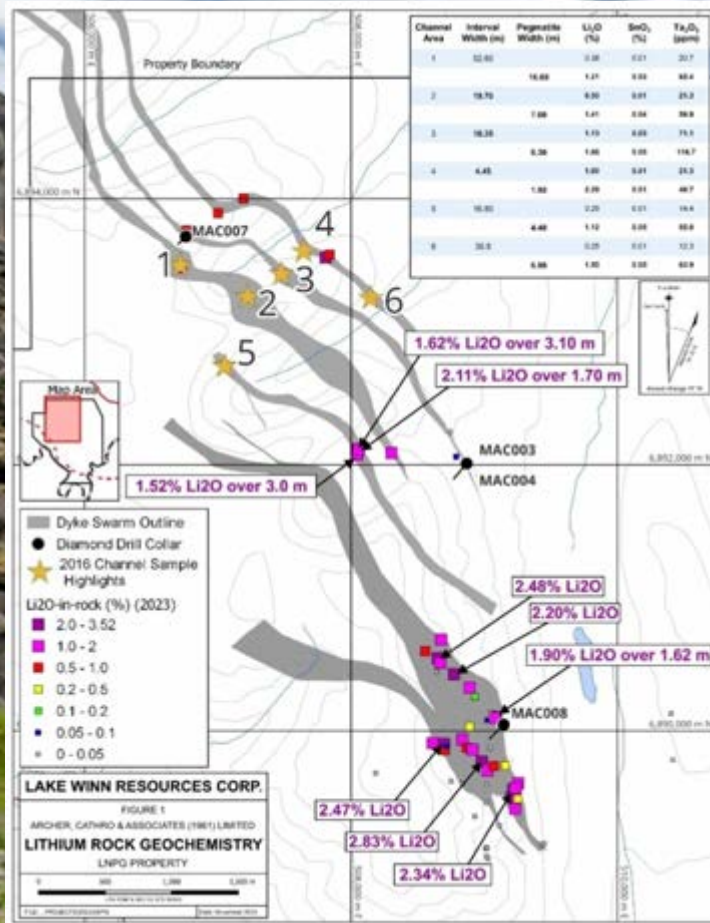
5 Year Duration Class-A Drilling Permit.

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# History of the LNPG Project

TSX.V: LWR & FSE: EE1A



- 1980 LNPG was Discovered by Teck (Cominco).
- 1990 LNPG was acquired by War Eagle Ltd during the Tech boom when there was a Tantalum shortage.
- 1990 War Eagle drilled 8 holes for Tantalum. The core was also assayed for Lithium with drill core assaying over 1%.
- 2016 Equitorial acquires the LNPG property. The historic drill core is re-assayed for lithium receiving 17.96m of 1.03 % and 9.66m of 1.47% and completes a channel sampling program.
- 2017 Lithium boom subsides.
- 2019 New management takes over Equitorial and rebrands to Lake Winn focusing on Manitoba gold after the government issues stimulus packages.
- 2023 Lake Winn conducts geophysics on the LNPG project for Lithium and rock sampling after North American governments promote the mandated EV revolution.
- 2025. Drill program depending on financing

# Historical Drilling for Tantalum ( $Ta_2O_5$ ) 2007



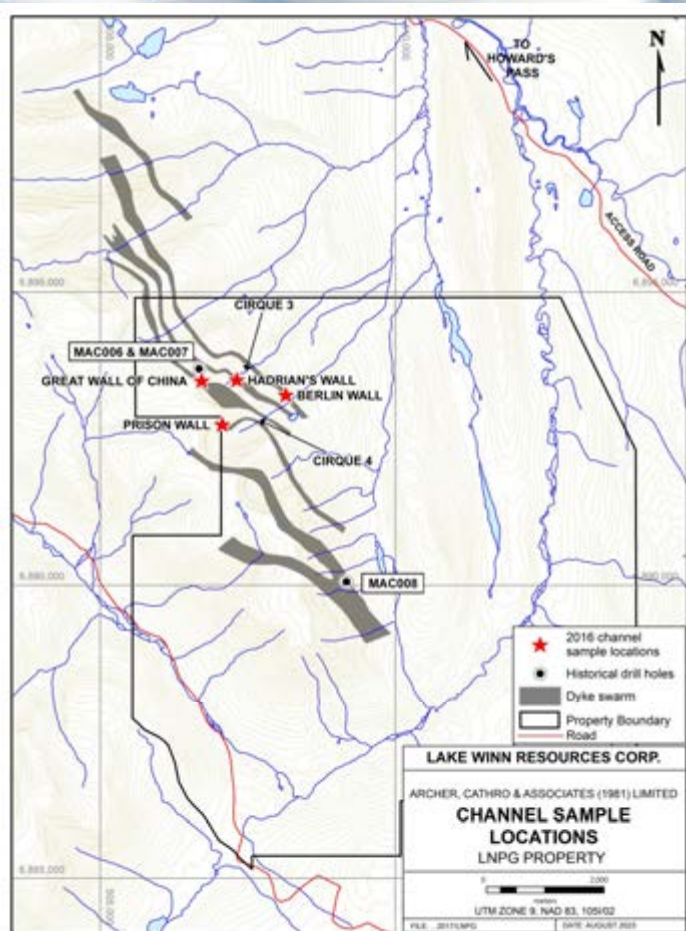
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## Tantalum $Ta_2O_5$ Drilling Results 2007

DDH	From (m)	To (m)	Interval Width (m)	Collective Pegmatite Width (m)	Li <sub>2</sub> O %	Spod. %	Ta <sub>2</sub> O <sub>5</sub> g/t	SnO <sub>2</sub> g/t
MAC006	61.88	66.86	4.98	2.18	0.26	3.20	76.9	231.1
MAC006	85.60	87.00	1.40	1.40	0.65	8.21	316.6	531.9
<b>MAC006</b>	172.37	190.64	<b>18.27</b>	<b>18.27</b>	<b>0.92</b>	<b>11.59</b>	<b>33.0</b>	<b>149.9</b>
MAC007	30.22	33.62	3.40	3.40	0.20	2.46	57.4	171.5
<b>MAC007</b>	105.84	116.78	<b>10.94</b>	<b>10.94</b>	<b>1.20</b>	<b>15.07</b>	<b>35.4</b>	<b>219.7</b>
MAC007	143.73	149.20	5.47	5.47	0.33	4.15	26.9	104.1
MAC008	37.58	38.73	1.15	1.15	0.58	7.30	172.1	526.9
MAC008	156.63	158.45	1.82	1.82	0.47	5.94	82.0	188.2

## Lithium Li<sub>2</sub>O Re-Assays 2017

DDH	2007 Length (m)	2007 Grade Li <sub>2</sub> O	2017 Length (m)	2017 Grade Li <sub>2</sub> O	% Li <sub>2</sub> O Increase
<b>MAC006</b>	<b>18.27</b>	<b>0.92%</b>	<b>17.96</b>	<b>1.03%</b>	<b>12%</b>
<b>MAC007</b>	<b>10.94</b>	<b>1.20%</b>	<b>9.66</b>	<b>1.47%</b>	<b>23%</b>







## Visual Pegmatite - MAC006

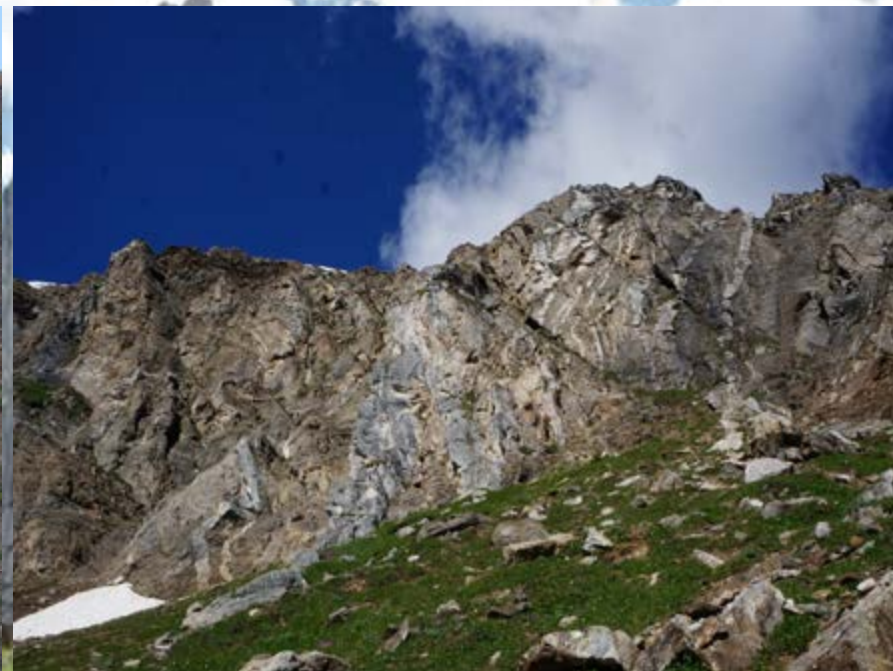


TSX.V: LWR & FSE: EE1A

**MAC006 Great Wall of China (White is Pegmatite)**



**North of MAC006 (White is Pegmatite)**



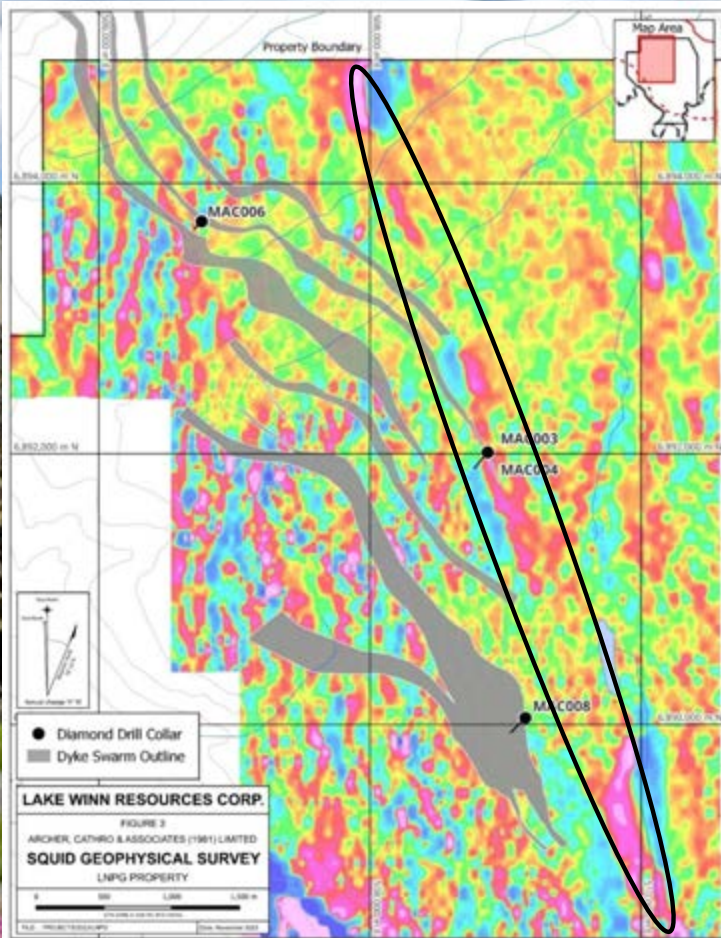
\*Visual pegmatite is represented all over the LNPG lithium property. MAC006 has the most positive visual showings at sunrise.\*



# Alpha Primes' Geophysical Signature



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Alpha Prime Pegmatite Strike Length  
~7 km long & 80-120 m wide.

LWR uses hyper sensitive magnetic Geophysics 1,000x more sensitive than regular magnetics. The company did 50m spacings meaning, this is the highest quality cutting edge data available in the mining sector 2023.

Lithium is not magnetic, however; lithium is created from volcanic events. The other magnetic minerals outlining the pegmatite dyke swarm are magnetic meaning, the magnetic minerals are outlining the  $\text{Li}_2\text{O}$ .

Proven pegmatite from LNPG and high-grade rock and soil samples give strong support to Alpha Prime's geophysics



# High Grade Rock Samples MAC008 2023

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## Rock and Chip Sampling Highlights

Previous Operators who drilled MAC008 in 2007 did a questionable job so, LWR did exploration work around it. Feel free to review the public NI 43-101 document page Fig 15 & 16 p.44-45 of LNPG.

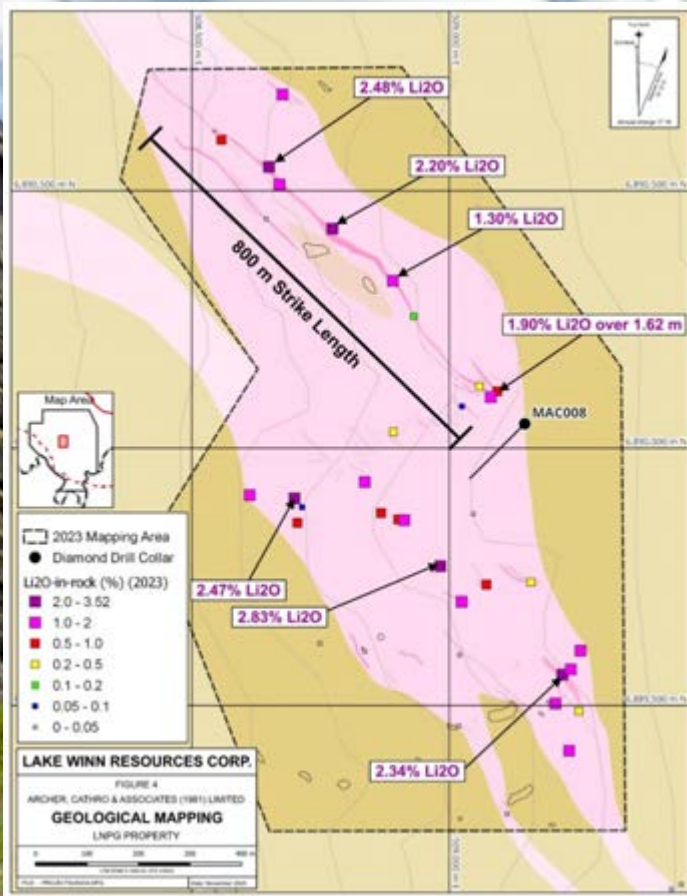
Peak value from spodumene-bearing pegmatite dykes **3.52%  $\text{Li}_2\text{O}$** .

**10 m sample across** an outcropping dyke returned **1.77%  $\text{Li}_2\text{O}$** .

Rock samples collected from a **3-10 m wide** spodumene-bearing dyke that can be traced over an **800 m strike length** returned an **average grade of 1.52%  $\text{Li}_2\text{O}$** .

Other 2023 chip sampling highlights not included on this map:

2.11%  $\text{Li}_2\text{O}$  over 1.70 m  
1.62%  $\text{Li}_2\text{O}$  over 3.10 m  
1.52%  $\text{Li}_2\text{O}$  over 3.00 m  
1.90%  $\text{Li}_2\text{O}$  over 1.62 m

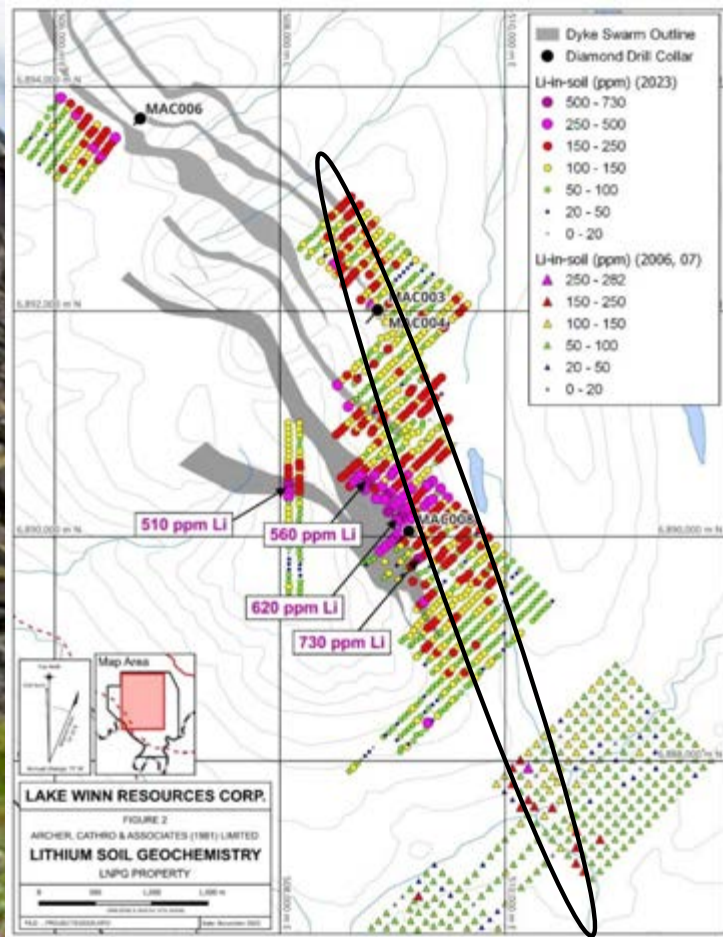




# Alpha Primes' High Grade Soils 2023



TSX.V: LWR & FSE: EE1A



## Soil Sampling Highlights

Soil sampling successfully delineated the extension of pegmatite dyke swarms supporting Alpha Prime's Geophysics that extends into unexplored areas.

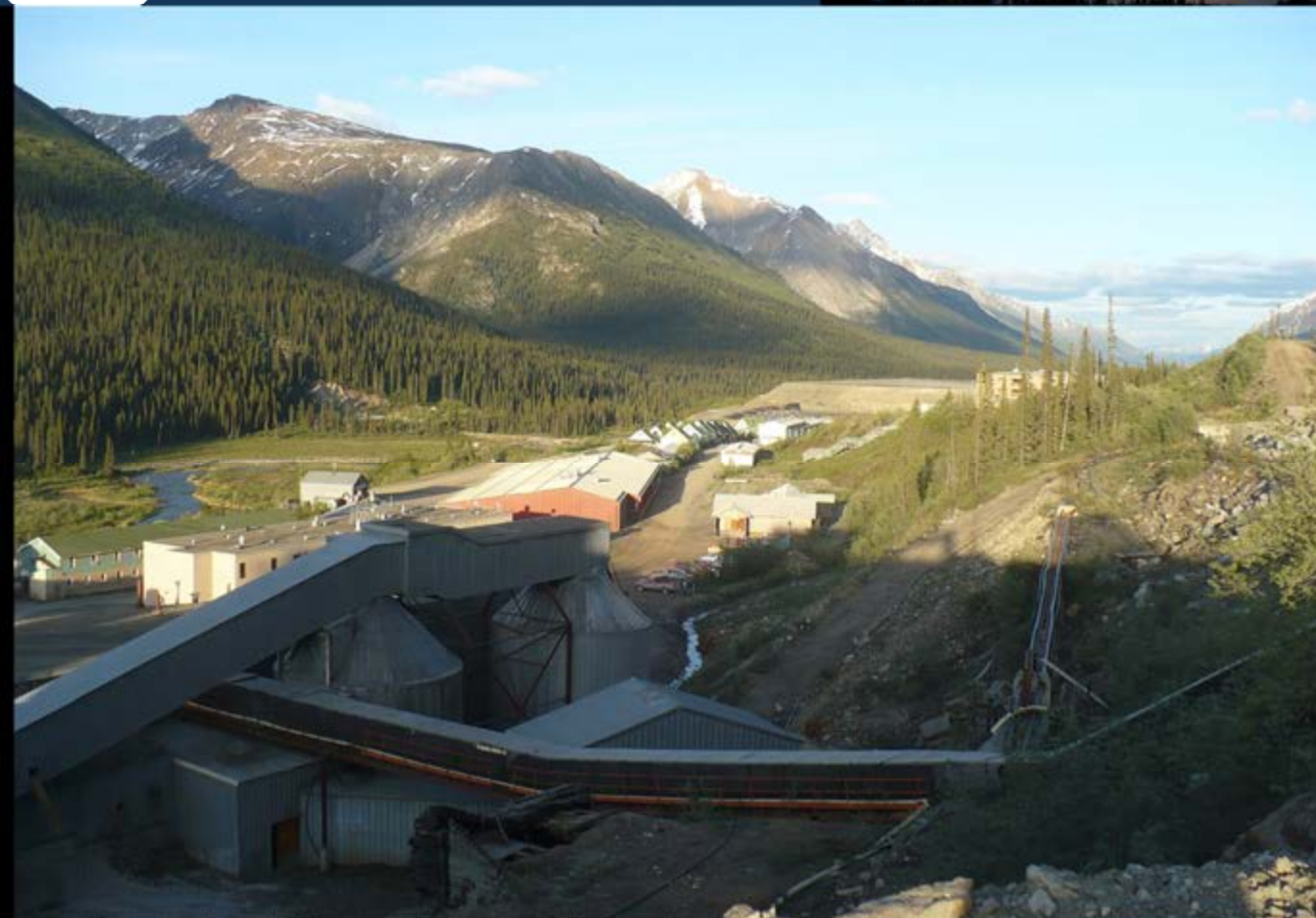
944 soil samples were collected in 2023.

Peak value of 730 ppm Li.

**7 soil samples** returned greater than 500 ppm Li.  
**113 soil samples** returned greater than 200 ppm Li.  
**565 soil samples** returned greater than 100 ppm Li.



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- Reducing the permitting Timeline from discovery to mine.
- Exploration assistance schemes are appreciated
- Infra-structure improvements.
- The property is best access from the Yukon side
- Tungsten Mine site is shown, currently in care and maintenance: Could exploration companies use the accommodation?

This is a short helicopter ride to our property





**LAKE WINN**  
RESOURCES CORP.

TSXV: LWR & FSE: EE1A

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604-689-1799



# HARD ROCK LITHIUM EXPLORATION IN CANADA



TSXV: LIFT | OTCQX: LIFF | FRA: WS0

[www.li-ft.com](http://www.li-ft.com)

October 2024



# Forward Looking Statements

Statements contained in this presentation that are not current or historical factual statements may constitute “forward-looking information” within the meaning of applicable securities laws. The forward-looking information reflects current expectations regarding future results, performance or achievements and speaks only as of the date of this presentation. When used in this presentation, forward-looking information can be identified by such words as “may”, “will”, “expect”, “believe”, “plan”, “project”, “anticipate”, “intend”, “estimate” and other similar terminology. Such forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed in or implied by such information.

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## CAUTIONARY NOTE REGARDING TECHNICAL DISCLOSURE

The technical and scientific information in this presentation, related to Company projects in Quebec, Canada has been reviewed and approved by Don Cummings, P. Geo., OGX Member 2183, who is a Qualified Person for the Company under the definitions established by National Instrument 43-101 (“NI 43-101”).

The technical and scientific information in this presentation, related to Company projects in Northwest Territories, Canada, has been reviewed and approved by Ron Voordouw, Ph.D., P.Geo., Partner, Director Geoscience, Equity Exploration Consultants Ltd., and a Qualified Person as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101) and member in good standing with the Northwest Territories and Nunavut Association of Professional Engineers and Geoscientists (NAPEG) (Geologist Registration number: L5245).

# Corporate Overview

A Canadian company focused on the exploration and development of hard rock lithium deposits in Canada.

## Corporate History

**2020 March 1 - Li-FT incorporated**

- Quebec mineral claims acquired from Kenorland Minerals

**2022 June 28 - Canadian Securities Exchange listing**

**2023 November 1 – Upgrade to TSX-V**

**2022 November 23 - Li-FT acquires EREX International**

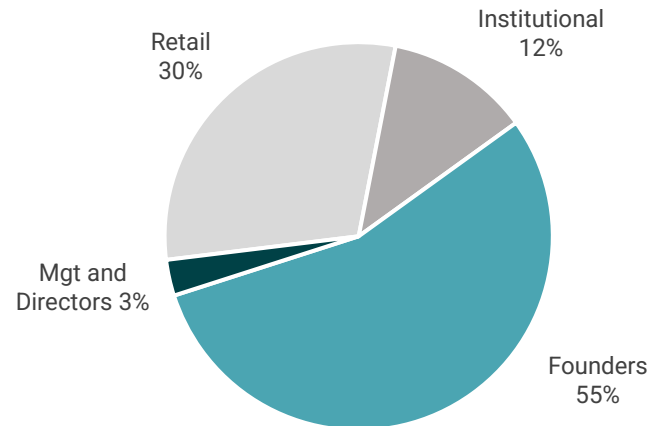
- Yellowknife and Cali Projects added to Li-FT's portfolio



## Capital Structure

*As Of October 9th, 2024*

Issued and Outstanding	42,745,337
Options	1,070,000
DSUs	7,544
Fully Diluted	43,822,881
Market Capitalization (@\$3.03/sh)	\$130.0M



<b>Top Institutional Holders</b>	<b>Style</b>
1. Commodity Capital AG	Growth
2. Extract Capital	Growth
3. Tribeca Investment Partners	Growth



# Our Projects

## YELLOWKNIFE PROJECT Northwest Territories, Canada

- Inferred MRE: 50.4Mt @ 1.00% Li<sub>2</sub>O
- Met Results: 79% recoveries of high quality spodumene concentrate grading 5.83% Li<sub>2</sub>O
- 50,000 m (50 km)/286 drill holes completed in 11 months, as of April 2024
- Excellent upside and potential to increase resource base with additional drilling

## CALI PROJECT Northwest Territories, Canada

- Pegmatite dyke swarm over a 1.5 km by 1 km area
- 124 of 163 grab samples returned grades >1% Li<sub>2</sub>O
- Road access within 6 km of the pegmatites
- Possible to get spodumene concentrate to rail in Fort Nelson

## QUEBEC GREENFIELDS Québec, Canada

- Largest land position in the James Bay region of Quebec (2,300 km<sup>2</sup>)
- 25 km long spodumene-in-till anomaly defined at Pontax – similar in magnitude to the Whabouchi area
- Additional targets for follow-up within the Rupert project

## Project Exploration Phases

**Yellowknife** - resource defined → economic studies

**Cali** – initial drill test → resource definition

**Quebec Greenfields** – drill target definition → discovery drilling

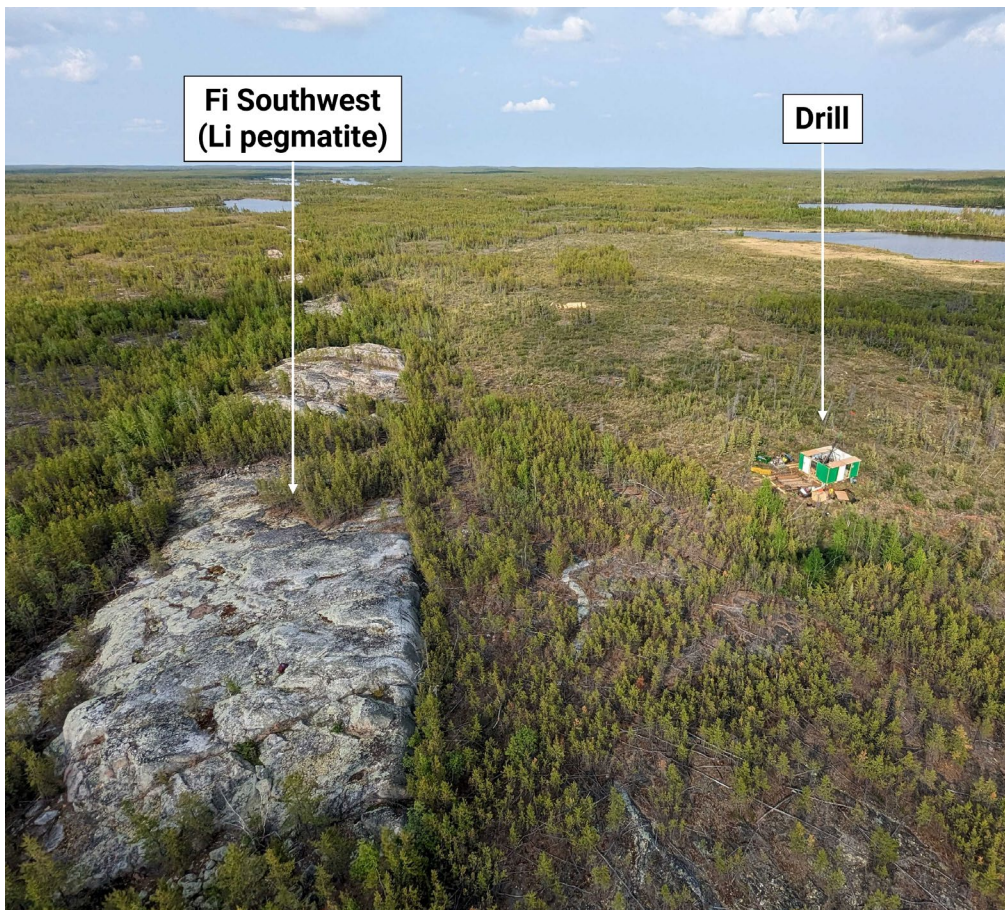


# Yellowknife Lithium Project - Overview

## Located in the Yellowknife Pegmatite Province

### A World-class Hard-rock Lithium Deposit.

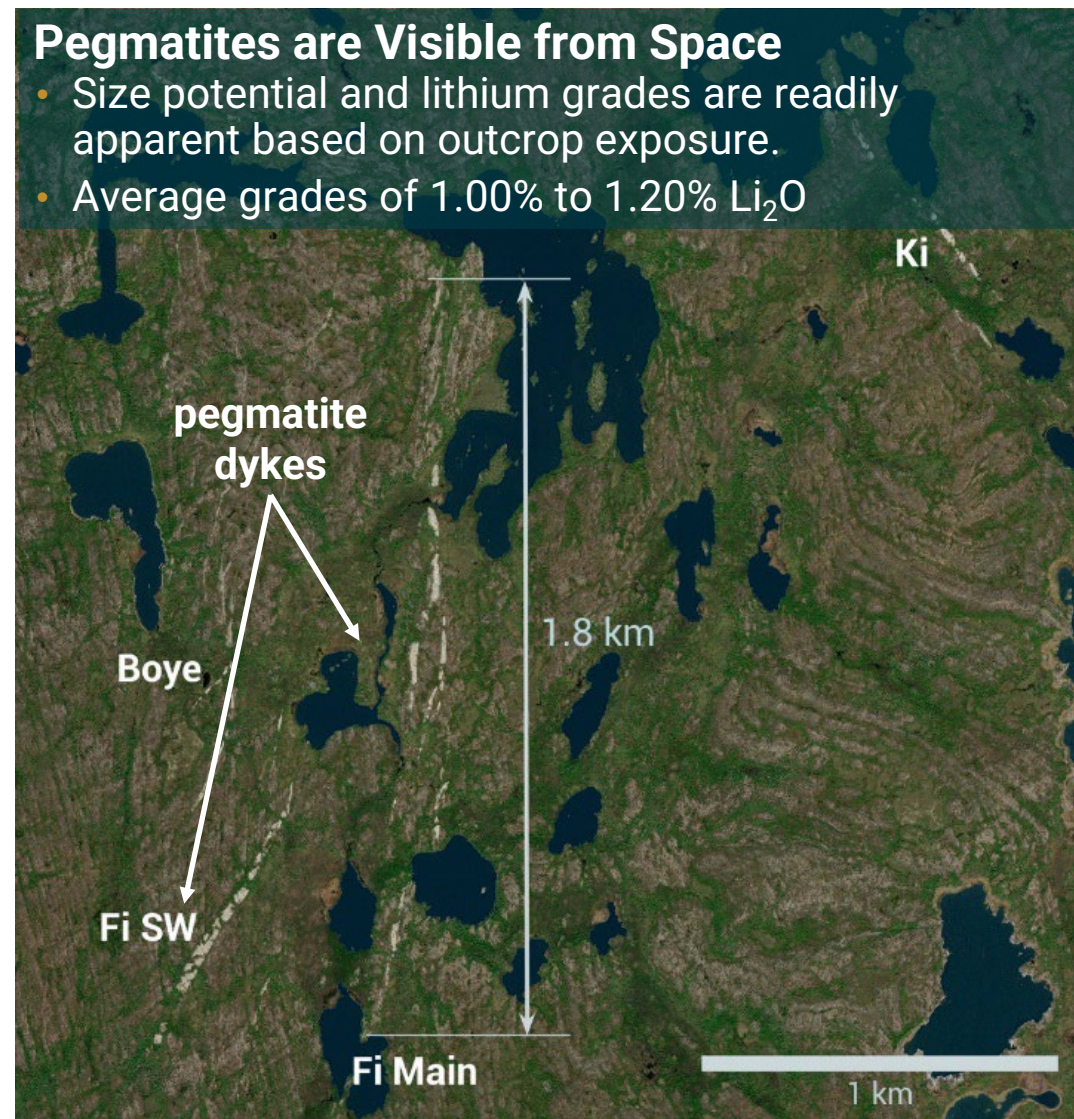
- The largest known lithium resource in Canada.
- Has the potential to be one of the largest lithium mining districts in North America.



Abundant outcrop with almost complete exposure sets the Yellowknife Project apart.

### Pegmatites are Visible from Space

- Size potential and lithium grades are readily apparent based on outcrop exposure.
- Average grades of 1.00% to 1.20%  $\text{Li}_2\text{O}$

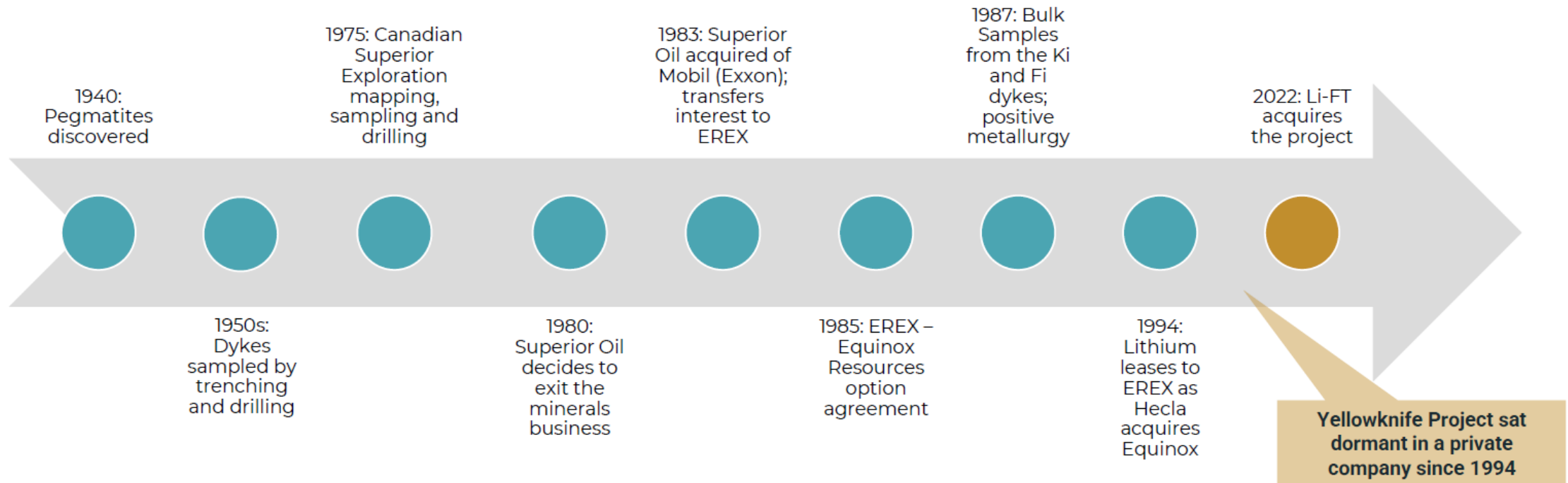




# Yellowknife Pegmatite Province History

Li-FT owns the mineral rights to the vast majority of the known Lithium-bearing pegmatites in the Yellowknife Pegmatite Province (YPP).

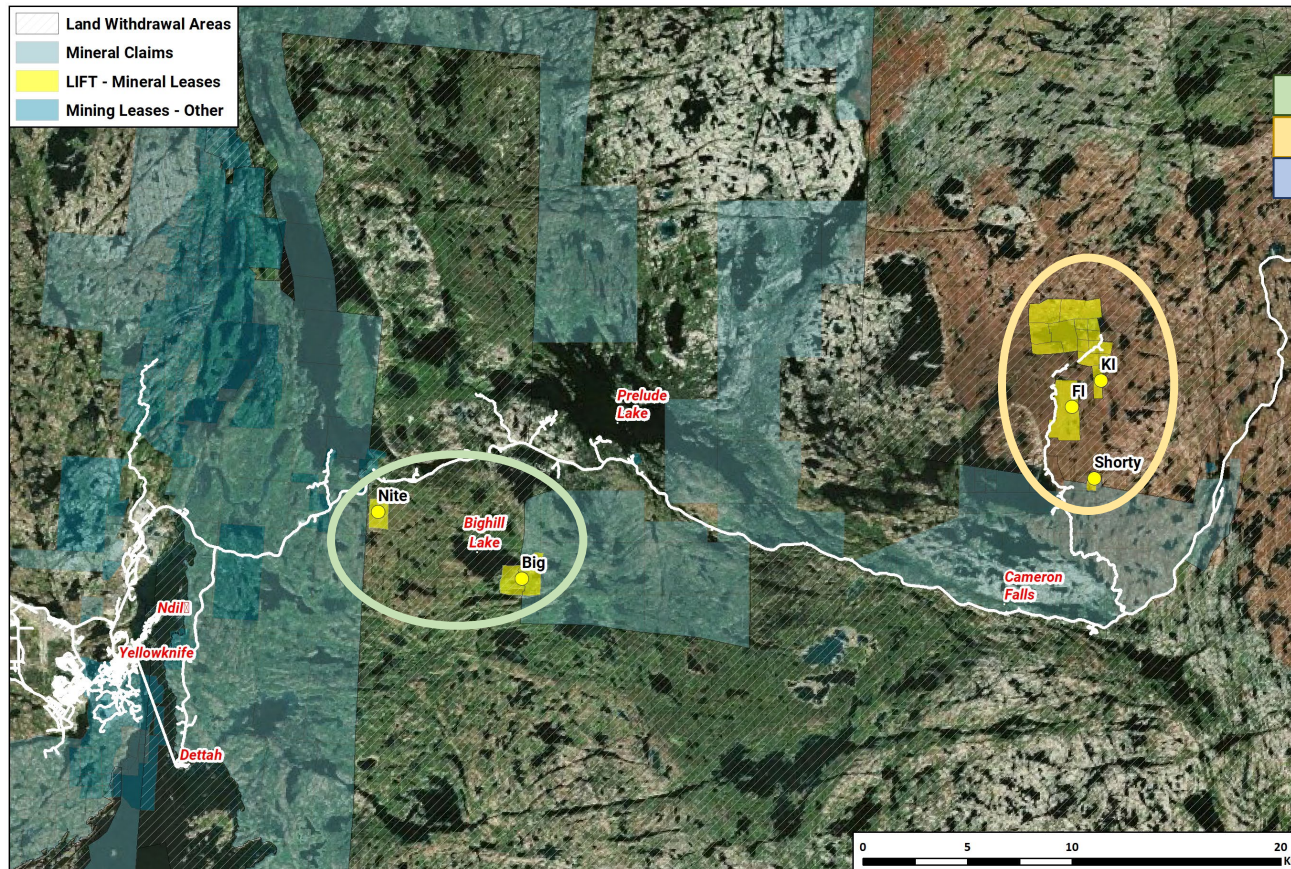
- Superior Oil conducted surveys looking for spodumene across the YPP in the mid-1970s.
- They looked at all exposed (i.e. not covered in soil) occurrences of lithium deposits.
- They discovered many deposits, but only kept the best (widest, biggest, highest grade).
- Li-FT eventually acquired all of the best lithium deposits around the Yellowknife area.



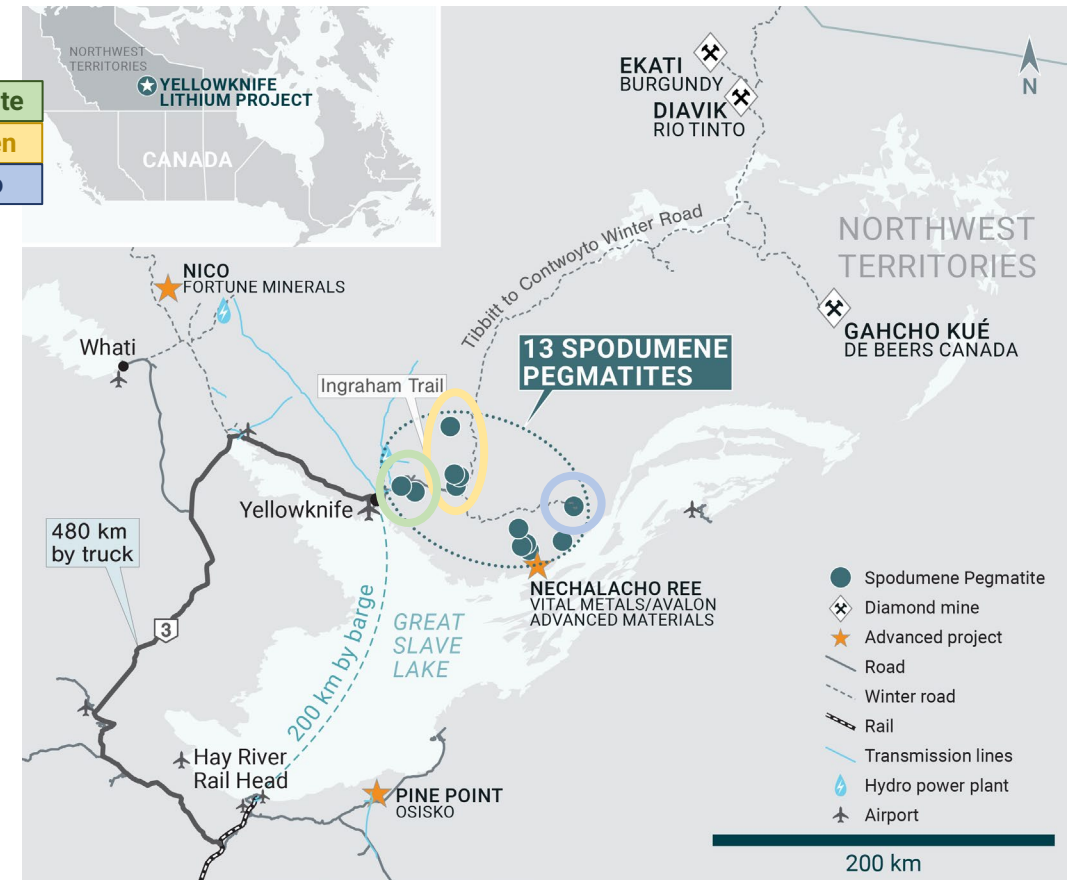
# There is Potential for an Economic Lithium Mine

## Yellowknife spodumene could be competitive on the global market:

- 7 of Li-FT's 13 deposits are "road-accessible" (Ingraham Trail)
  - ore could be processed at one central processing plant
- spodumene concentrate could be shipped by road or by barge to Hay River
  - transfer to rail at Hay River and ship anywhere in the world at a relatively low cost



Big-Nite  
Hidden  
Echo





# There is a Short Window of Opportunity

We have a window of opportunity to create value and benefits from the Lithium around Yellowknife, but this window will eventually close.

## Lithium is common on Earth.

- There are many opportunities for new hard-rock Lithium mines globally.
- Projects that can get to production fastest are the most likely to be successful.
  - Not all projects will find investors and get developed.

## New technologies for Lithium extraction are emerging.

- These technologies could greatly increase production at much lower costs.
  - If the new technologies become feasible, hard-rock mining projects may never get developed.
- The NT has experienced this before, in the Oil and Gas Sector:
  - The Mackenzie Valley Pipeline

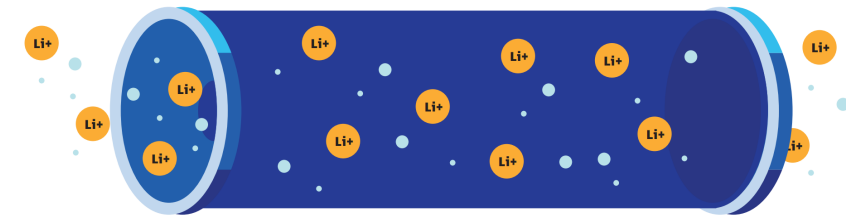
### Who will win the lithium race?

'White gold' could remake the geopolitical landscape – with winners and losers on either side



Goldman  
Sachs

EQUITY RESEARCH | April 27,



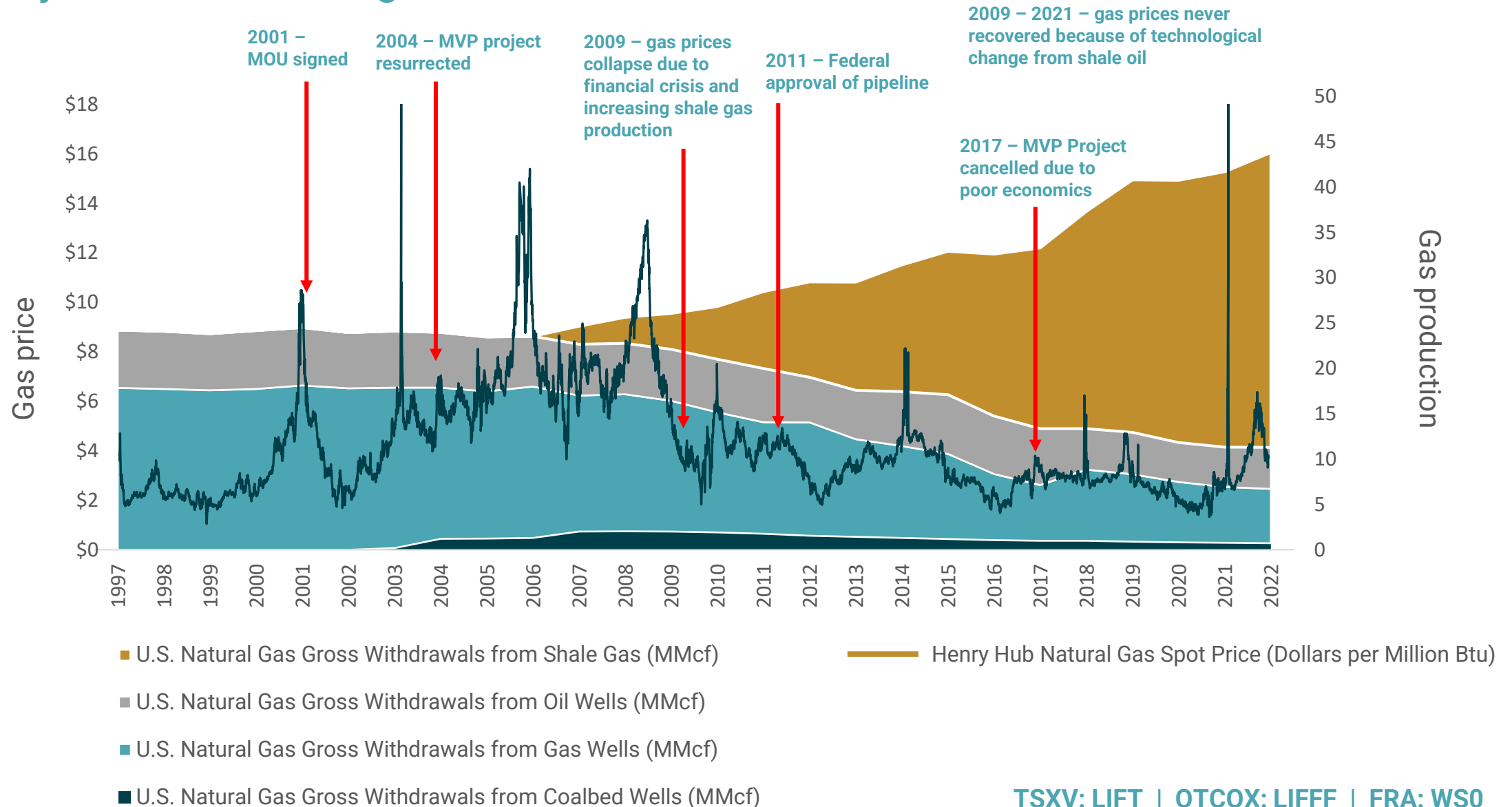
### Global Metals & Mining

#### Direct Lithium Extraction: A potential game changing technology

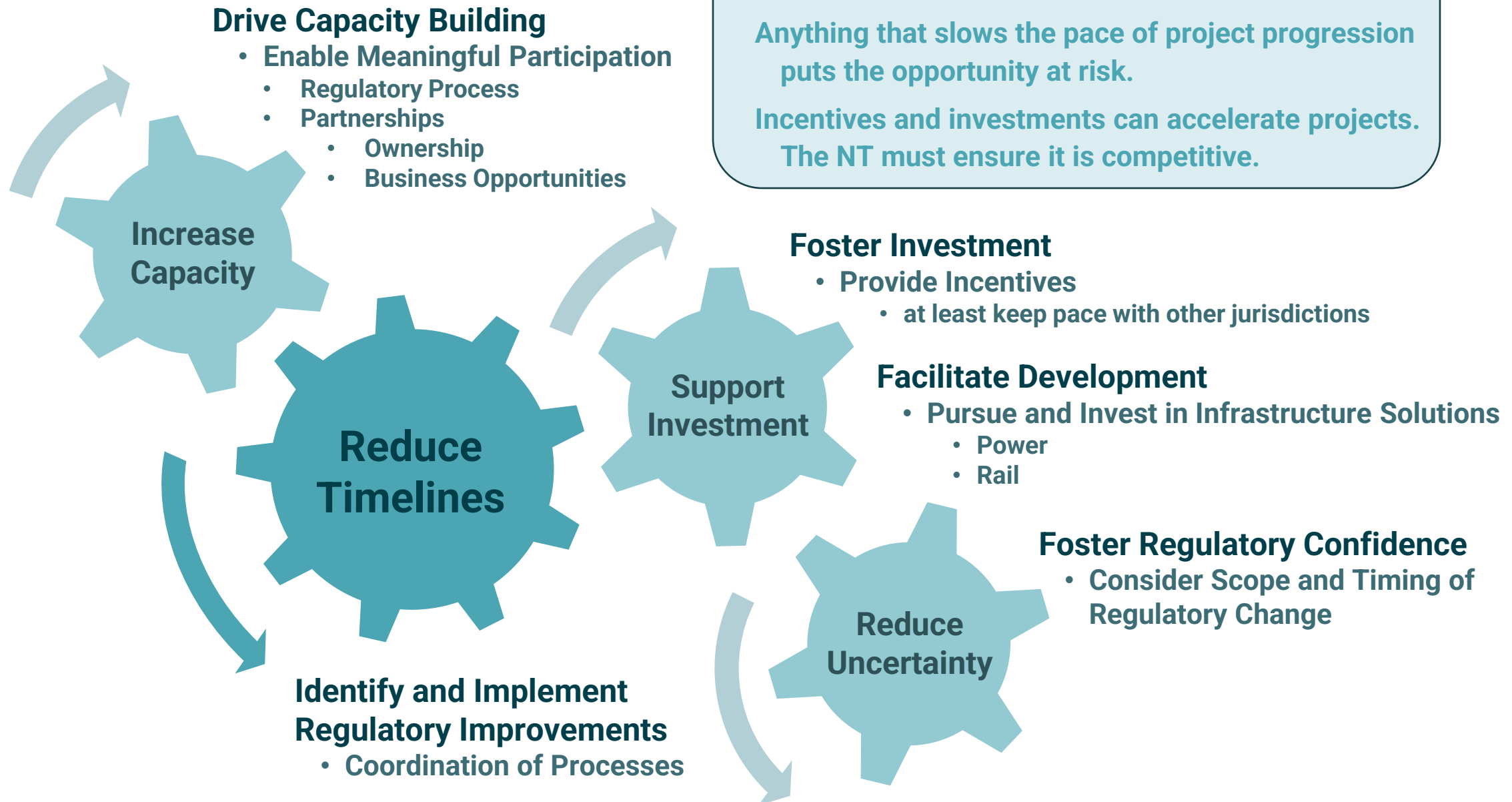
The implementation of Direct Lithium Extraction (DLE) technologies has the potential to significantly increase the supply of lithium from brine projects (much like shale did for oil), nearly doubling lithium production on higher recoveries and improving project returns, though with the added bonus of offering ESG/sustainability benefits, while also widening rather than steepening the lithium cost curve. We explore the progress, economics, and implications of DLE being implemented at scale, with increasing relevance in the context of Chile's recent National Lithium Policy.

# Lessons from the Past: Mackenzie Valley Pipeline (MVP)

Killed by the USA shale oil/gas revolution.



# Headwinds and Tailwinds





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### Francis MacDonald

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### April Hayward

Chief Sustainability Officer

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# North Arrow Minerals Lithium Exploration in the NWT SCEDE Presentation

October 31, 2024

## FORWARD-LOOKING INFORMATION

This presentation contains projections and forward-looking information that involve various risks and uncertainties, including, without limitation, statements regarding the potential extent of mineralization, resources, reserves, exploration results and plans and objectives of North Arrow Minerals Inc. These risks and uncertainties include, but are not restricted to, the amount of geological data available, the uncertain reliability of drilling results and geophysical and geological data and the interpretation thereof and the need for adequate financing for future exploration and development efforts. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral forward-looking statements are based on the estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward looking statements should circumstances or management's estimates or opinions change.

QUALIFIED PERSON  
UNDER NI 43-101

Disclosure of a scientific or technical nature related to North Arrow's projects in this presentation has been reviewed and approved by Ken Armstrong, P.Geo. President and CEO of North Arrow and a Qualified Person under NI 43-101.



North Arrow is a Canadian company focused on the identification and evaluation of exploration opportunities.

North Arrow's management and directors have a successful track record of resource discovery and development in Canada and Africa.





# NORTH ARROW'S PROJECT PIPELINE

## Permitted & Drill Ready - Lithium

1

### LDG Lithium (100%)

*Spodumene lithium  
pegmatite showings*

2

### MacKay Lithium (100%)

*Spodumene lithium  
pegmatite showings*

3

### DeStaffany (100%)

*Spodumene lithium  
pegmatite showings*

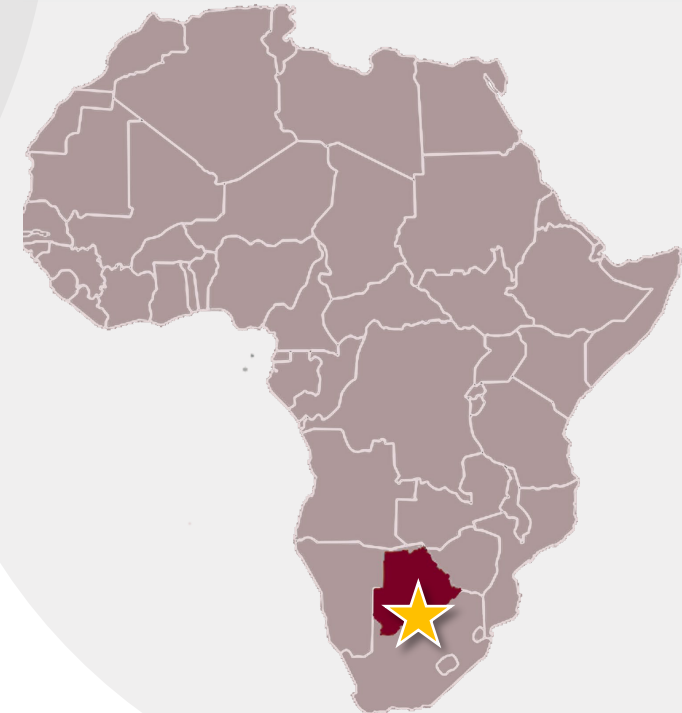


## Grassroots / Brownfields- Gold



### Kraaipan Gold Project, Botswana (earning up to 80%)

*>60 km of an underexplored and  
fertile Archean greenstone belt*



## Advanced Stage - Diamonds

1

### Naujaat (60%)

*Significant diamond inventory;  
High-value fancy orange & yellow  
diamonds*

2

### Loki (100%)

*Kimberlite discovery - 2018*

3

### Pikoo (100%)

*Kimberlite discovery - 2016*

## Discovery Stage - Diamonds

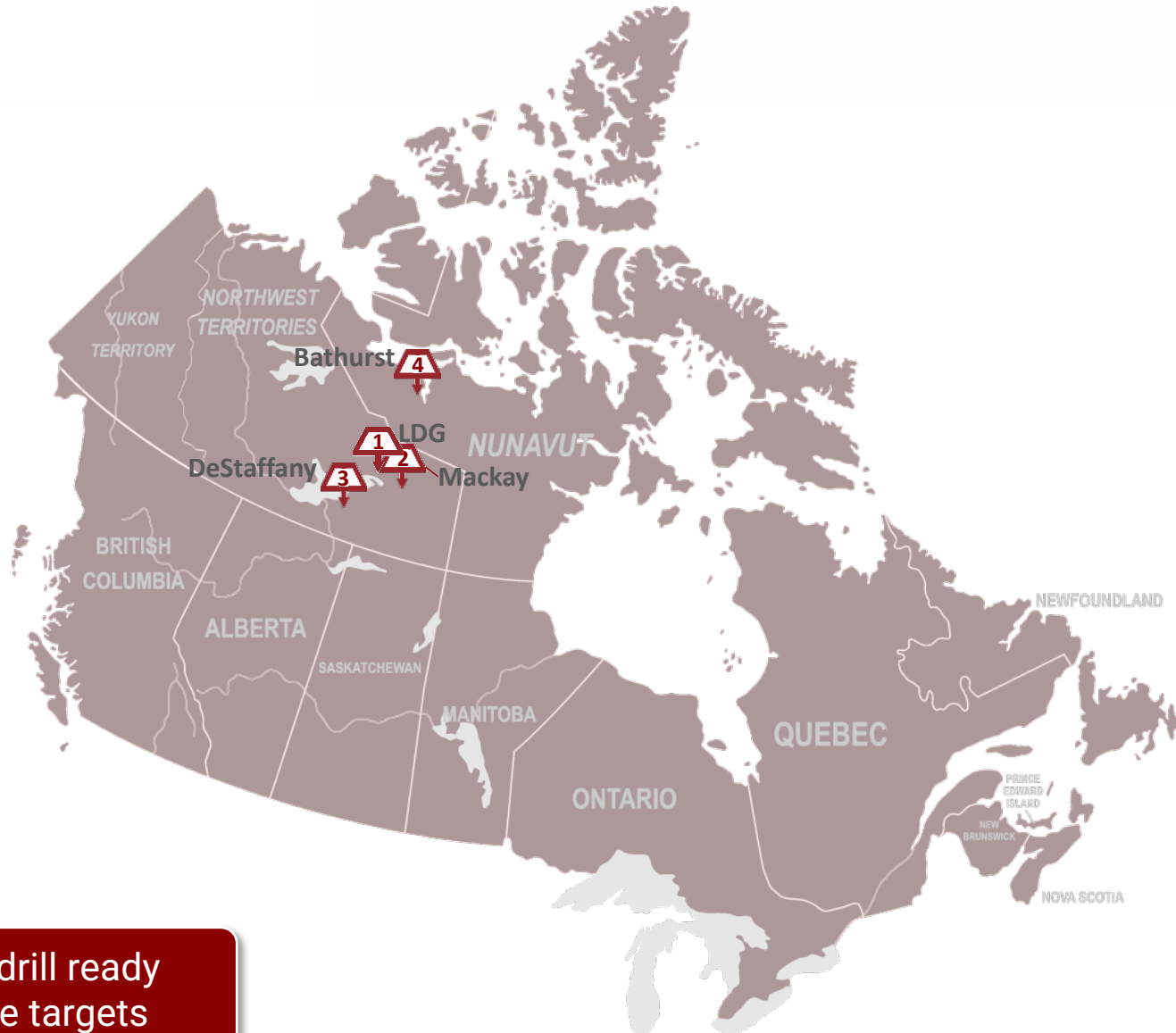


# HARD ROCK LITHIUM PROJECT PIPELINE

## Advanced/Discovery Stage Lithium

- 1** **LDG Lithium (100%)**  
*Spodumene lithium pegmatite showings*
- 2** **MacKay Lithium (100%)**  
*Spodumene lithium pegmatite showings*
- 3** **DeStaffany (100%)**  
*Spodumene lithium pegmatite showings*

Three properties with drill ready spodumene pegmatite targets



## Grassroots Lithium

- 4** **Bathurst Inlet (100%)**  
*Pegmatites with unknown mineralogy*

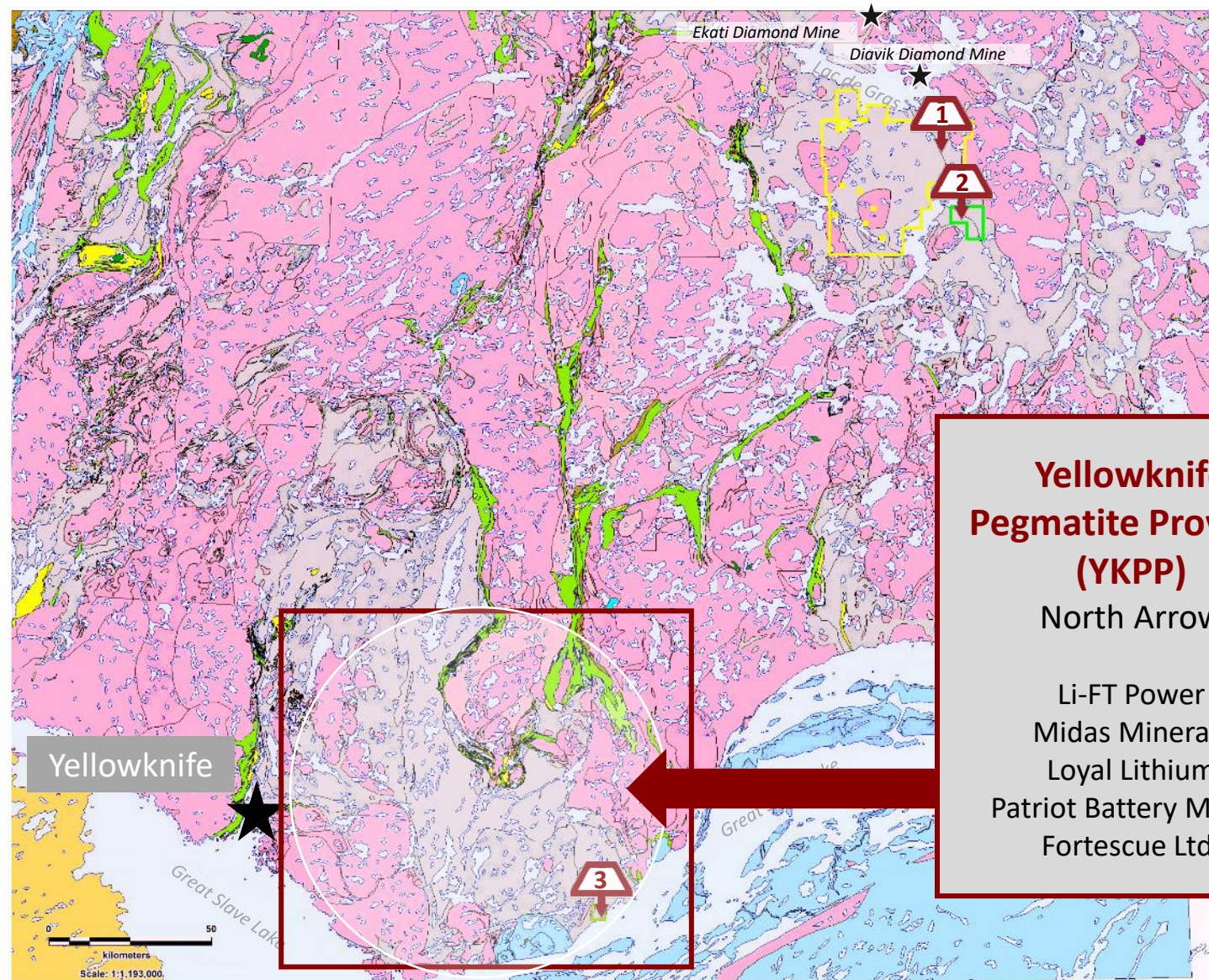
A four-project portfolio for ~\$60,000 in acquisition costs including staking



# DESTAFFANY LITHIUM PROJECT

Advanced/Discovery  
Stage Lithium

**3**  
↓  
**DeStaffany**  
**(100%)**  
*Spodumene lithium  
pegmatite project*



**Yellowknife  
Pegmatite Province  
(YKPP)**

North Arrow

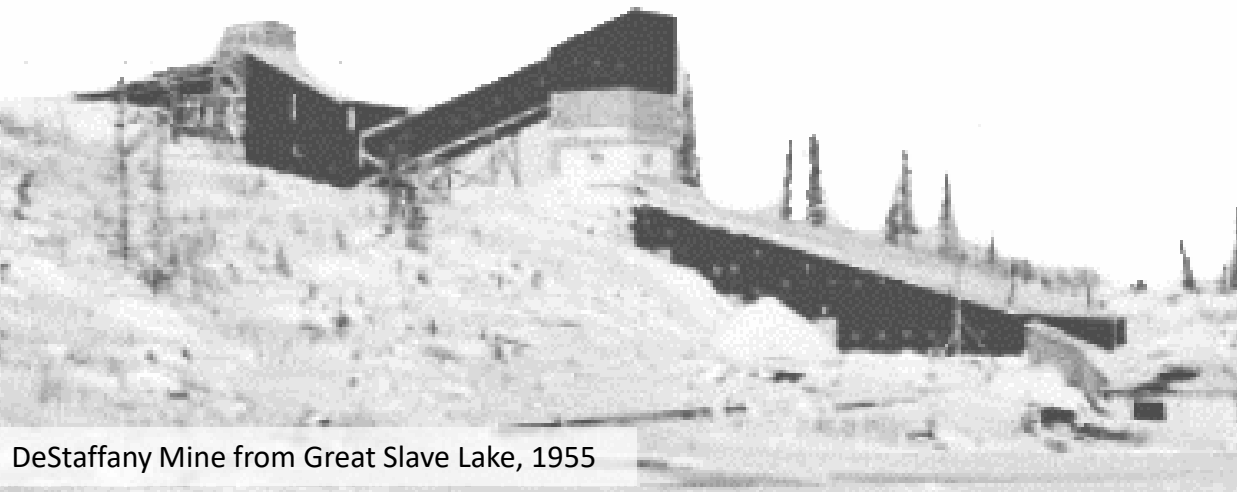
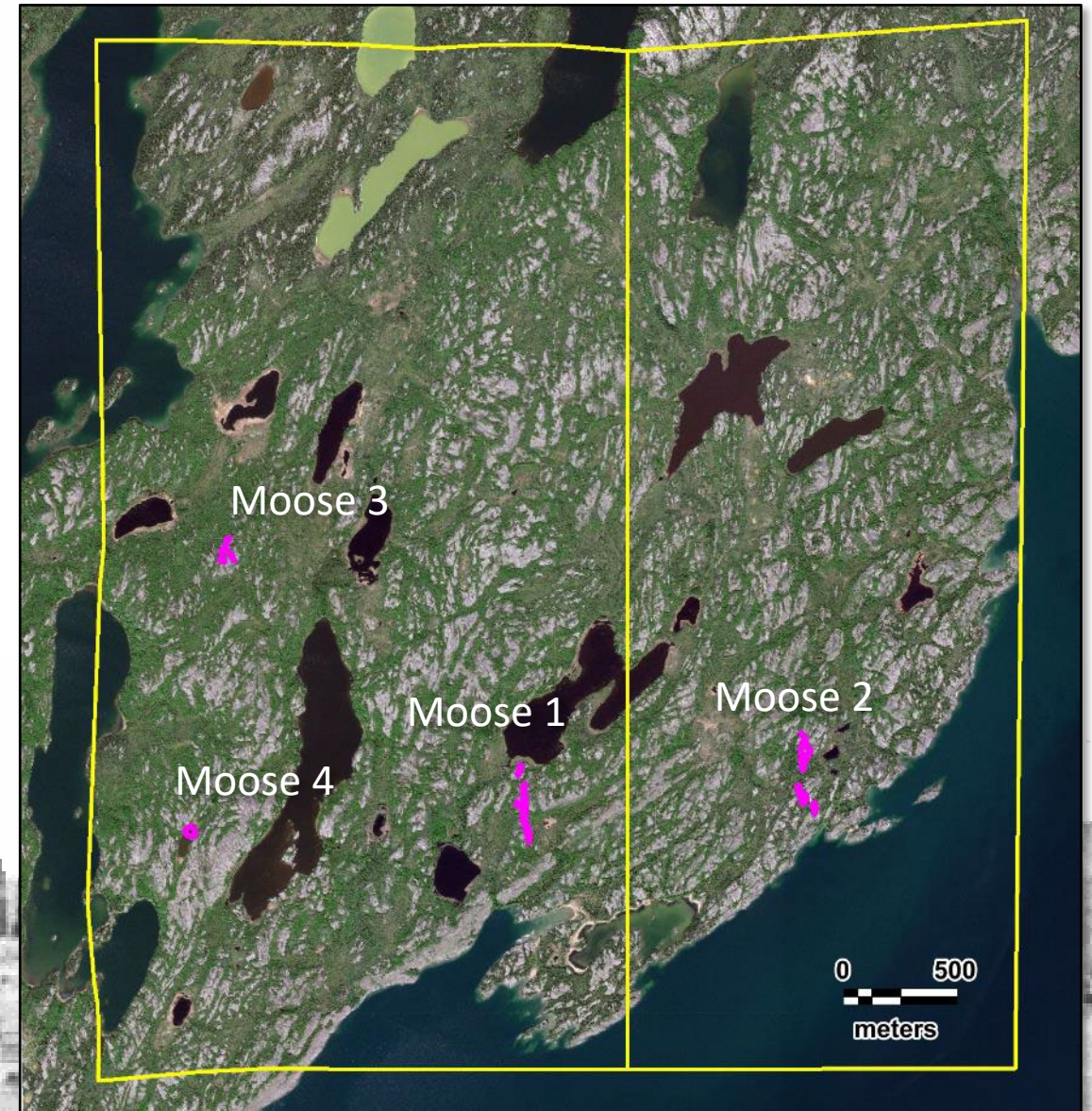
Li-FT Power  
Midas Minerals  
Loyal Lithium  
Patriot Battery Metals  
Fortescue Ltd.





# DESTAFFANY LITHIUM PROJECT

- Moose 1 and Moose 2 spodumene pegmatites
- Moose 2 was test mined for Ta, Nb, Sn in the 1940's & 50's but **never evaluated for lithium**
- NAR "Re-discovered" Moose 3 and Moose 4 in 2023
- Spodumene pegmatites like being evaluated by LIFT
- Need to be drilled
- Close to lake shore and access to Yellowknife and Hay River.



DeStaffany Mine from Great Slave Lake, 1955

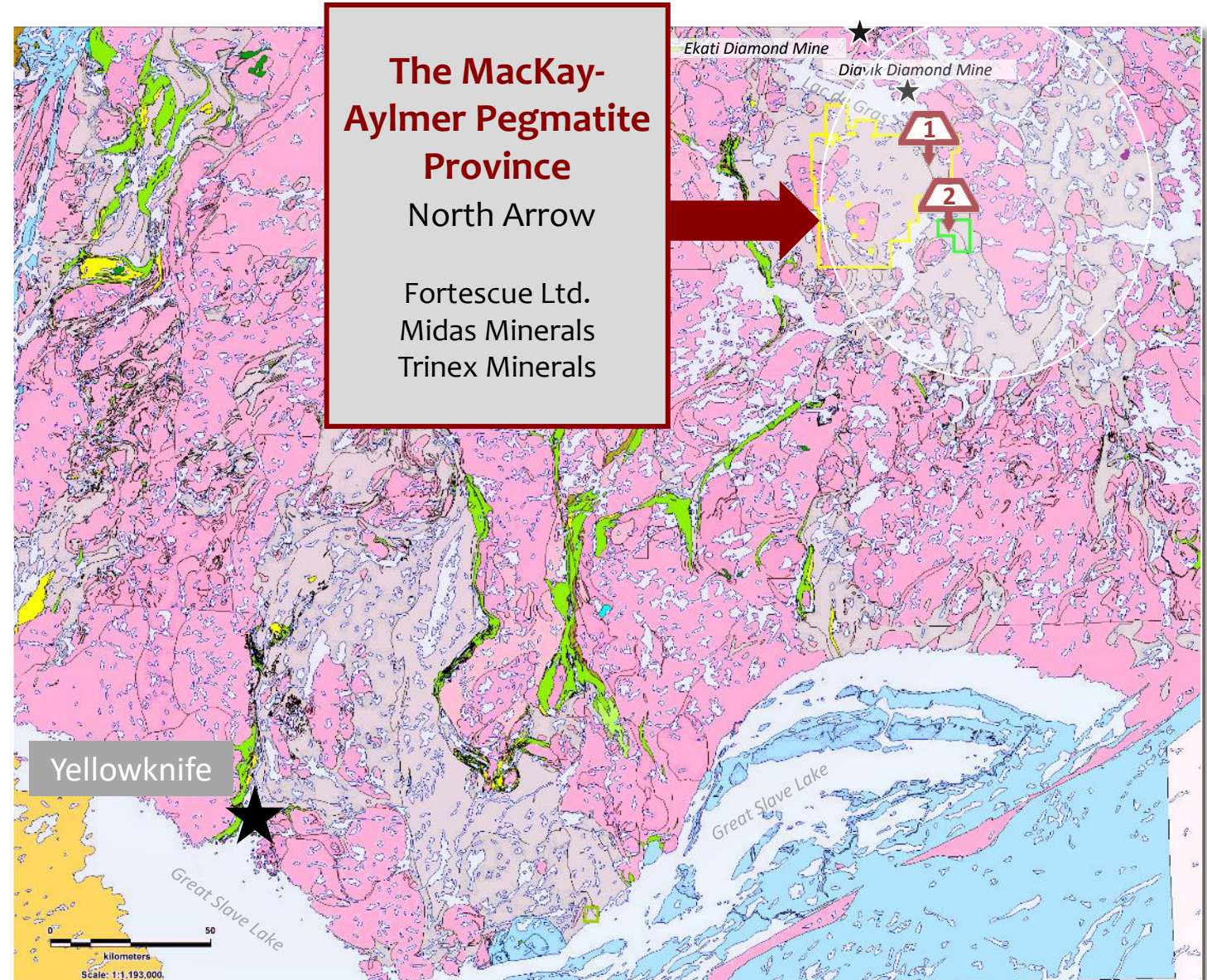


# LDG & MACKAY LITHIUM PROJECTS

Advanced/Discovery  
Stage Lithium

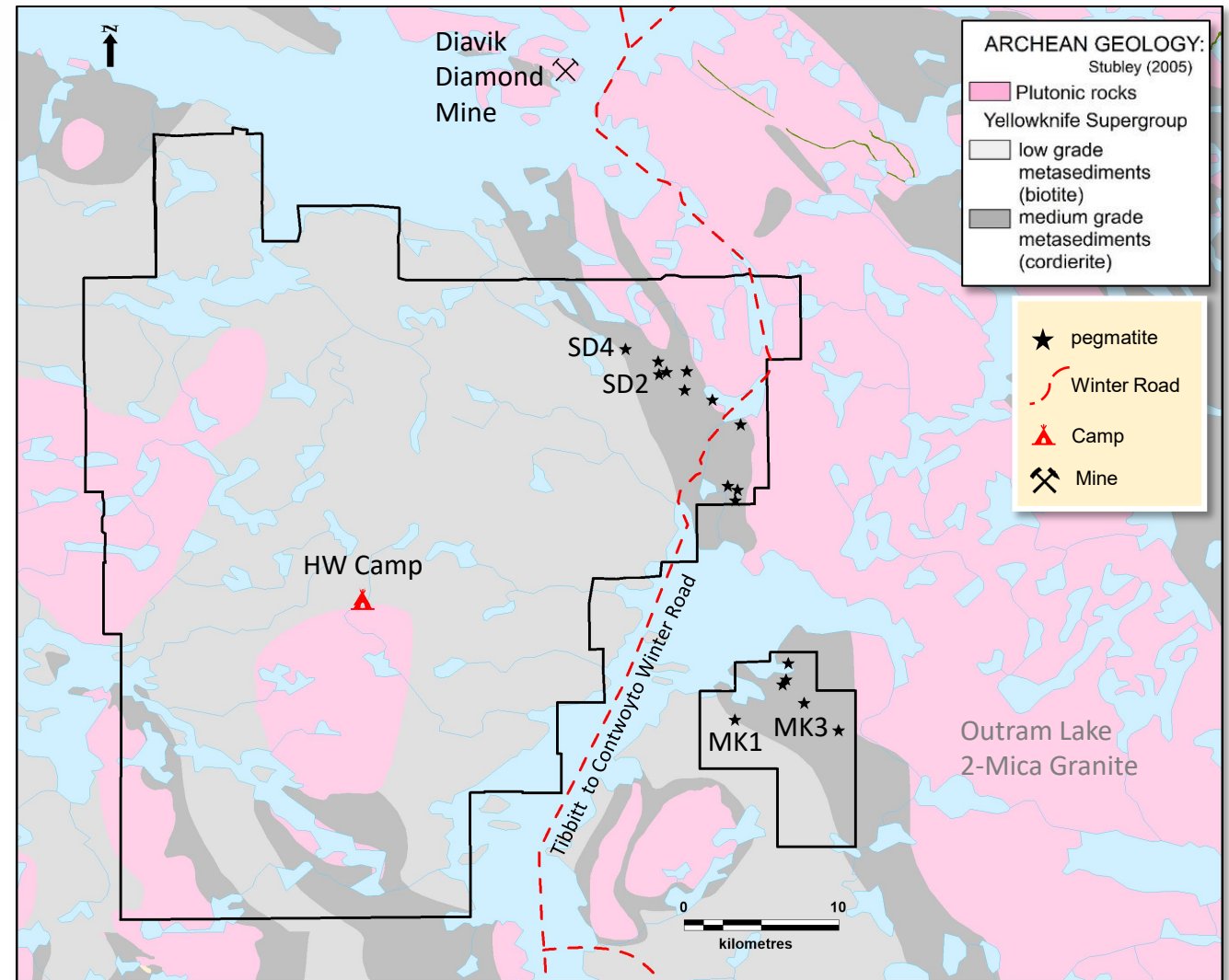
**1** **LDG Lithium**  
**(100%)**  
*Spodumene lithium*  
*pegmatite showings*

**2** **Mackay Lithium**  
**(100%)**  
*Spodumene lithium*  
*pegmatite showings*





- Four drill ready spodumene pegmatites
- Multiple additional prospective pegmatites
- Located within kilometres of winter road
- Same setting and potential as the Yellowknife Pegmatite Province
- Drilling permits and exploration camp are in place – LDG already had a permit, Mackay was included under LDG LUP in under 45 days

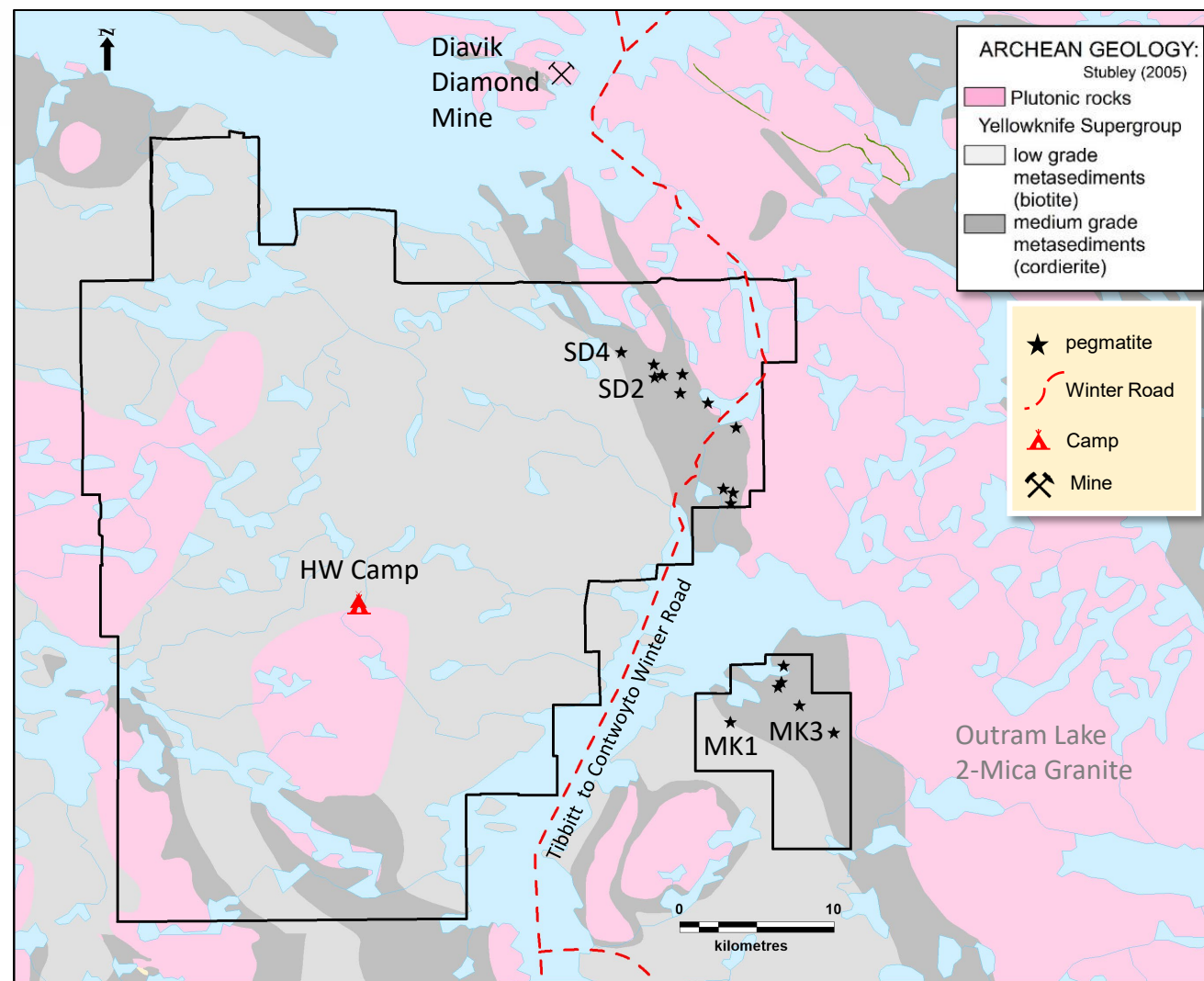
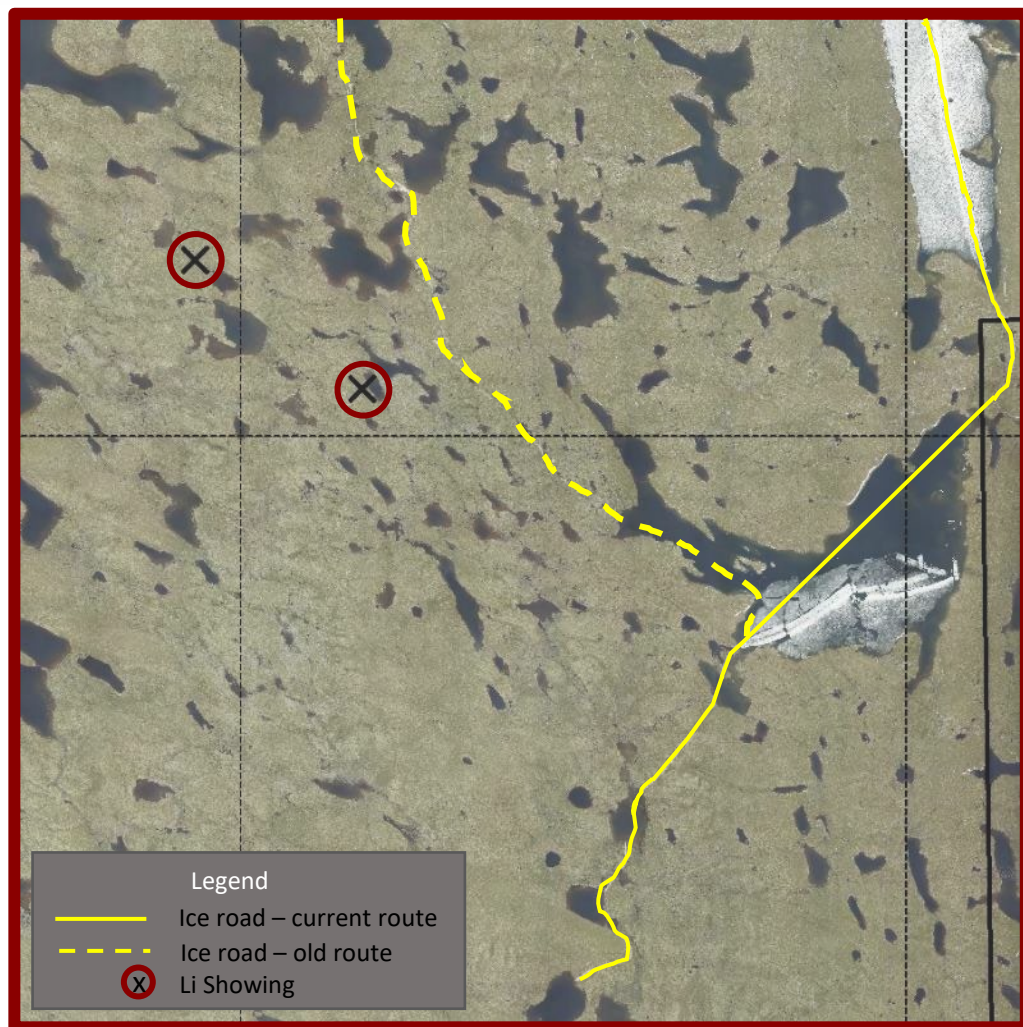






# LDG LITHIUM – SD2 and SD4 Spodumene Pegmatites

**North Arrow**  
MINERALS INC.



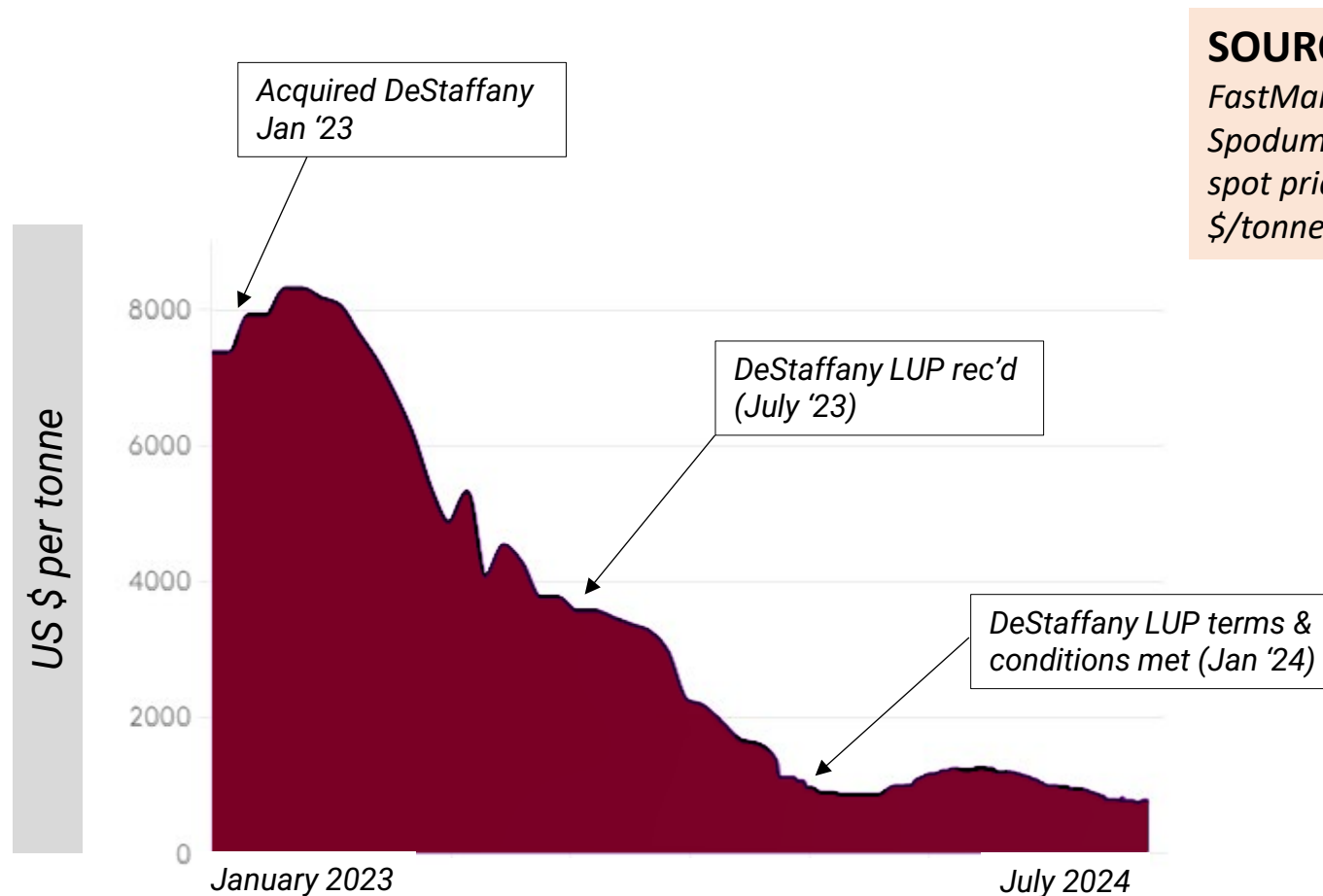




# NORTH ARROW LITHIUM PROJECTS



## Lithium price (Spodumene concentrate) January 2023 through July 2023



### SOURCE:

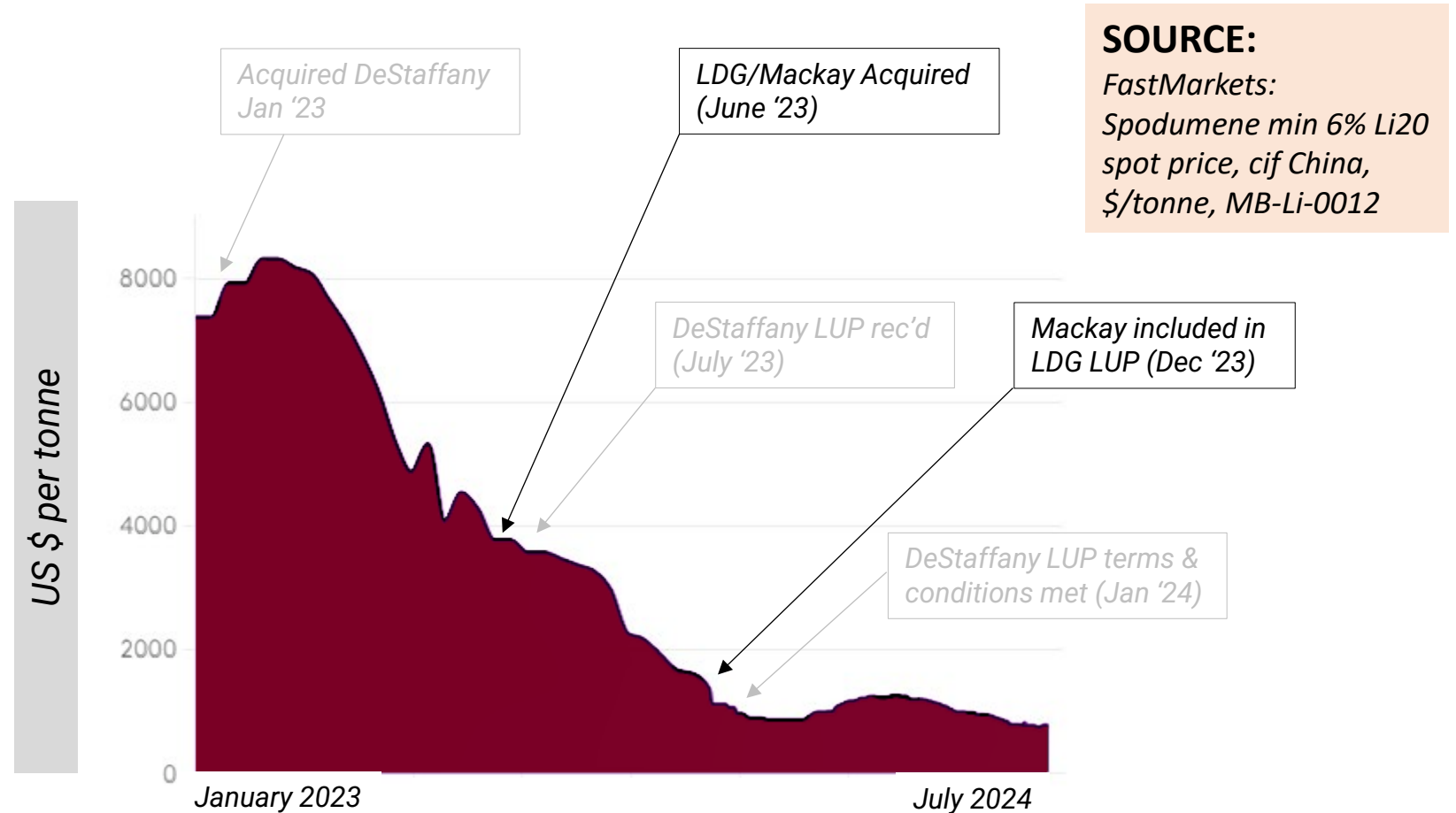
FastMarkets:  
Spodumene min 6% Li<sub>2</sub>O  
spot price, cif China,  
\$/tonne, MB-Li-0012



# NORTH ARROW LITHIUM PROJECTS



## Lithium price (Spodumene concentrate) January 2023 through July 2023


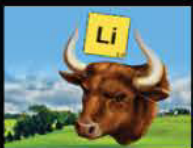




## SCOREBOARD

AUGUST 2024

## Lithium-Ion Bull

NOT INVESTMENT ADVICE. DO YOUR OWN RESEARCH													
 <b>LITHIUM SCOREBOARD</b> August 31, 2024		Ticker	Exchange	Share Price (08/31/24)	Market Cap (USDM)	1 mo	3 mo	YTD	Location	Type			
		Chemical Producers											
		Qinghai Salt Lake Industry	000792.SZ	Shenzhen	¥ 13.96	\$ 10 989	-4%	-16%	-7%	China	Brine		
		SQM	SQM	NYSE	\$ 38.79	\$ 10 915	2%	-17%	-35%	Chile, Australia	Rock, Brine		
		Albemarle	ALB	NYSE	\$ 91.65	\$ 10 607	-4%	-26%	-39%	Chile, Nevada, Australia	Rock, Brine		
		Ganfeng	1772.HK	HKSE	\$ 17.70	\$ 6 866	10%	-25%	-40%	China, Australia, Argentina, Mexico	Rock, Brine		
		Tianqi Lithium	002466.SZ	Shenzhen	¥ 25.57	\$ 5 367	-6%	-28%	-53%	China, Australia	Rock		
		Arcadium Lithium	ALTM	NYSE	\$ 2.67	\$ 2 914	-15%	-39%	-64%	US, Argentina, China, Japan, Australia, Quebec	Rock, Brine		
		Chengxin Lithium	002240.SZ	Shenzhen	¥ 11.74	\$ 1 526	-3%	-28%	-46%	China	Rock		
		Sichuan Yahua	002497.SZ	Shenzhen	¥ 8.42	\$ 1 380	0%	-19%	-32%	China	Rock		
		YOUNGY	002192.SZ	Shenzhen	¥ 29.59	\$ 1 084	-1%	-13%	-43%	China	Rock		
		Jiangsu Dingsheng	603876.SS	Shanghai	¥ 8.51	\$ 1 083	2%	-16%	-29%	China	Rock		
		Yibin Tianyuan	002386.SZ	Shenzhen	¥ 3.80	\$ 691	0%	-15%	-26%	China	Rock		
		Lithium Argentina	LAAC	NYSE	\$ 2.64	\$ 426	-13%	-42%	-58%	Argentina	Brine		
		Spodumene Producers											
		Pilbara Minerals	PLS.AX	ASX	\$ 2.91	\$ 5 973	6%	-22%	-25%	Australia	Rock		
		Mineral Resources	MIN.AX	ASX	\$ 40.61	\$ 5 270	-23%	-44%	-43%	Australia	Rock		
		Sigma Lithium	SGML.V	TSXV	\$ 14.78	\$ 1 230	-3%	-31%	-64%	Brazil	Rock		
		AMG Critical Minerals	AMG.AS	Amsterdam	€ 15.19	\$ 526	-3%	-27%	-36%	Brazil	Rock		
		Sayona Mining	SYA.AX	ASX	\$ 0.03	\$ 186	-10%	-34%	-61%	Quebec	Rock		
		Piedmont Lithium	PLL	NASDAQ	\$ 8.33	\$ 160	-18%	-37%	-70%	Carolina, Quebec, Ghana	Rock		

Lithium Chemicals Producers (Li Feedstock used to make batteries) – 8 of 12 are Chinese

6 Spodumene producers – Presently no capacity in North America to convert spodumene to lithium chemicals for batteries.



# LITHIUM MARKET INFO FROM RKEQUITY.COM

## SCOREBOARD

AUGUST 2024

## Lithium-Ion Bull

### 50 'Emerging Projects'

**NWT:** 1 (Li-FT)  
**Canada:** 12  
**U.S.A.:** 9  
**Australia:** 8  
**South America:** 8  
**Africa:** 6  
**Europe:** 5  
**China & Russia** We'll never know

This is a global search for resources.  
 Lithium is found in a variety of geological  
 settings - NWT is not a unique locality for  
 lithium in the way it is for diamonds.

Emerging Projects										
Liontown Resources	LTR.AX	ASX	\$	0.73	\$ 1 215	-18%	-41%	-55%	Australia	Rock
Lithium Americas	LAC	NYSE	\$	2.59	\$ 536	-10%	-28%	-61%	Nevada	Clay
Vulcan Energy Resources	VUL.AX	ASX	\$	3.86	\$ 491	-8%	-18%	39%	Germany	DLE Brine
Patriot Battery Metals	PMT.AX	ASX	\$	0.46	\$ 437	-9%	-48%	-61%	Quebec	Rock
Develop Global Limited	DVP.AX	ASX	\$	2.16	\$ 377	4%	-4%	-21%	Western Australia	Rock
Latin Resources Ltd	LRS.AX	ASX	\$	0.21	\$ 374	43%	-20%	-27%	Argentina, Brazil	Rock
Lithium Royalty Corp	LIRC.TO	TSX	\$	6.01	\$ 262	-7%	-13%	-26%	Global	Other
Standard Lithium	SLI.V	TSXV	\$	1.85	\$ 240	-4%	-25%	-35%	Arkansas	DLE Brine
Wildcat Resources	WC8.AX	ASX	\$	0.29	\$ 238	28%	-30%	-56%	Western Australia	Rock
Ioneer	INR.AX	ASX	\$	0.14	\$ 233	27%	-20%	10%	Nevada	Rock
International Battery Metals	IBAT.CN	CSE	\$	1.01	\$ 185	-17%	-27%	32%	Global	Tech
Atlas Lithium	ATLX	NASDAQ	\$	10.15	\$ 158	-7%	-27%	-68%	Brazil	Rock
Core Lithium	CXO.AX	ASX	\$	0.09	\$ 134	3%	-30%	-65%	Australia	Rock
Kodal Minerals	KOD.L	LSE	£	0.51	\$ 130	-11%	-16%	40%	Mali	Rock
Frontier Lithium	FLV	TSXV	\$	0.65	\$ 121	9%	-15%	-11%	Ontario	Rock
Savannah Resources	SAV.L	LSE	£	4.00	\$ 109	5%	20%	88%	Portugal	Rock
Atlantic Lithium	ALL.L	LSE	£	13.02	\$ 106	-31%	-45%	-45%	Ghana	Rock
Delta Lithium (ex Red Dirt Metals)	DLI.AX	ASX	\$	0.23	\$ 105	-6%	-21%	-54%	Australia	Rock
Lithium Chile Inc.	LITH.V	TSXV	\$	0.60	\$ 93	9%	-20%	5%	Chile	Brine
Rock Tech Lithium	RCKV	TSXV	\$	1.25	\$ 92	-17%	-9%	-13%	Ontario	Rock
Li-FT Power Ltd.	LIFT.V	TSXV	\$	2.50	\$ 86	18%	-28%	-54%	Canada	Rock
Anson Resources	ASN.AX	ASX	\$	0.10	\$ 84	-19%	-25%	-33%	Utah	Brine
Lithium Ionic Corp.	LTH.V	TSXV	\$	0.66	\$ 81	20%	-23%	-60%	Brazil	Rock
E3 Lithium	ETL.V	TSXV	\$	1.39	\$ 80	22%	-19%	-36%	Alberta	DLE Brine
American Lithium	LI.V	TSXV	\$	0.53	\$ 79	-23%	-49%	-69%	Nevada	Clay
Winsome Resources	WR1.AX	ASX	\$	0.51	\$ 77	-8%	-52%	-52%	Quebec	Rock
Brightstar Resources	BTR.AX	ASX	\$	0.02	\$ 75	27%	27%	19%	Western Australia	Rock
Andrada Mining (ex AfriTin)	ATM.L	LSE	£	3.45	\$ 71	6%	-29%	-35%	Namibia	Rock
Critical Elements Corporation	CRE.V	TSXV	\$	0.41	\$ 68	-23%	-52%	-56%	Quebec	Rock
American Battery Technology Company	ABAT	NASDAQ	\$	1.09	\$ 65	3%	-20%	-75%	Nevada	Clay
Q2 Metals Corp.	QTWO.V	TSXV	\$	0.58	\$ 61	148%	94%	170%	Canada	Rock
Zinnwald Lithium	ZNWD.L	LSE	£	9.40	\$ 57	17%	-16%	37%	Germany	Rock
Argosy Minerals Limited	AGY.AX	ASX	\$	0.05	\$ 49	22%	-60%	-66%	Argentina	Rock
Arizona Lithium	AZL.AX	ASX	\$	0.02	\$ 48	-6%	-30%	-47%	Arizona	Clay
Galan Lithium	GLN.AX	ASX	\$	0.13	\$ 47	0%	-38%	-81%	Argentina	Brine
Raiden Resources	RDN.AX	ASX	\$	0.03	\$ 47	13%	-42%	-37%	Western Australia	Rock
Lake Resources	LKE.AX	ASX	\$	0.04	\$ 45	11%	-33%	-70%	Argentina	DLE Brine
Volt Lithium Corp.	VLT.V	TSXV	\$	0.41	\$ 44	1%	85%	98%	Canada	DLE Brine
Global Lithium Resources	GL1.AX	ASX	\$	0.25	\$ 43	-6%	-33%	-79%	Australia	Rock
Surge Battery Metals Inc.	NILI.V	TSXV	\$	0.32	\$ 41	-6%	-18%	-56%	Nevada	Clay
Prospect Resources	PSC.AX	ASX	\$	0.10	\$ 38	-5%	-45%	19%	Namibia, Zambia, Zimbabwe	Rock
European Lithium	EUR.AX	ASX	\$	0.04	\$ 37	-11%	-15%	-64%	Austria	Rock
Azimet Exploration Inc.	AZM.V	TSXV	\$	0.49	\$ 33	0%	-15%	-43%	Canada	Rock
CleanTech Lithium	CTLL	LSE	£	17.00	\$ 31	-15%	-20%	-14%	Chile	Brine
Century Lithium	LCE.V	TSXV	\$	0.27	\$ 29	-4%	-32%	-46%	Nevada	Clay
European Metals Holdings	EMH.AX	ASX	\$	0.19	\$ 28	-18%	-50%	-51%	Czech	Rock
Power Metals Corp.	PWM.V	TSXV	\$	0.25	\$ 28	-7%	-19%	0%	Ontario	Rock
Brunswick Exploration Inc.	BRW.V	TSXV	\$	0.18	\$ 26	-11%	-55%	-78%	Canada	Rock
Premier African Minerals Limited	PREM.L	LSE	£	0.06	\$ 25	-6%	-50%	-74%	Zimbabwe	Rock
Premier African Minerals	PREM.L	LSE	£	0.06	\$ 25	-6%	-50%	-74%	Zimbabwe	Rock

# CHALLENGES TO (MINING) LITHIUM in the NWT

## Remote

**Geography won't change; long distances to international markets and suppliers are a reality**

## Seasonality

**Cold, dark winter months are a reality for future project developers**

- Working through this period can be partially addressed by improvements to infrastructure and policy

## Expensive

**Long distances and lack of infrastructure lead to less work per dollar invested**

- Exploration costs up to 6x higher than the south; Capital costs up to 2.5 times higher; Operating costs up to 30-60% higher
- Can be partially addressed by improvements to infrastructure and policy

## Transportation Infrastructure Deficit

**Generational change – long timelines.**

- Governments should not put up roadblocks for transportation options that do exist – e.g. changes to (Federal) aviation flight time rules have increased costs and cancelled programs (not just an industry matter as it also impacts servicing communities).
- Change requires vision – if diamond mines had been serviced by an all-weather road rather than the winter road we'd have easier (& more competitive) access to the Aylmer-Mackay pegmatites and other mineral deposits in the Slave Geological Province.
- Lithium is a bulk commodity - transportation costs unavoidably impact project viability.



# CHALLENGES TO (MINING) LITHIUM in the NWT (cont)

## Power Infrastructure deficit

### Generational change (long timelines)

- Project financing and access to capital require projects to demonstrate a path to net zero emissions and use of green energy.
- NWT projects compete with projects in jurisdictions with ready access to green energy and therefore easier financing.
- Important reminder - legacy NWT hydro power was developed in support of mining operations.

## Regulatory

### Policies and regulations can impact sentiment/reputation

- Governments have most direct control to change sentiment by:
  - Strong statements from leadership supporting responsible & sustainable development of mineral resources can help increase certainty and investment sentiment.
  - Identifying and implementing regulatory improvements and streamlining opportunities (e.g. increasing capacity; reduce timelines).





# North Arrow

MINERALS INC.

**Ken Armstrong**  
*President & CEO*

**Nick Thomas**  
*Community and Investor  
Relations Manager*

**TSXV: NAR**

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# *Alternatives North*

September 27, 2024

Robert Hawkins, MLA Yellowknife Centre  
Chair  
Standing Committee on Economic Development and Environment  
Legislative Assembly of the Northwest Territories  
Box 1320  
Yellowknife NT X1A 2L9

by e-mail: [Robert\\_Hawkins@ntassembly.ca](mailto:Robert_Hawkins@ntassembly.ca)

## **Re: Regulatory Review**

Mr. Hawkins:

We understand that the Standing Committee on Economic Development and Environment (SCEDE) is undertaking a review of the regulatory framework for land and water use permitting under the *Mackenzie Valley Resources Management Act* (MVRMA), and its operational effectiveness. We understand the Committee intends to prepare a report on the findings that will recommend targeted actions and interventions the GNWT can take to improve the administration and effectiveness of the regulatory framework.

We would like to submit comments and recommendations on a number of areas including the scope of your review, efficiency and effectiveness, responses to comments made by others, and the Committee review process itself.

## **Background on Alternatives North**

Alternatives North was formed in 1992 by a group of individuals with a strong belief in social and environmental justice. Over time the group has been involved in the creation and critique of budgets by public governments, making submissions on Bills, participating in environmental assessments (the Mackenzie Gas Project and Giant Mine Remediation projects in particular), and much more.

Alternatives North is based in Yellowknife and has no office or staff but consists of a committed group of individuals with a variety of experiences and backgrounds including professional expertise on environmental management. We have participated in public hearings, environmental audits and environmental policy development.

## Scope of the SCEDE Review

While we appreciate Committee's concerns and its limited scope in this review, the *Mackenzie Valley Resource Management Act* provides for an integrated and comprehensive environmental management system. Land and water regulation is but one component of the overall system. Other parts of the system include land use planning, environmental assessment and environmental audits. The audits assess ecosystem health how the overall system is working. There are other complementary systems in place as well, including land and water management now largely with GNWT. GNWT's responsibilities now include inspection and enforcement of land and water authorizations.

Our observation is that Committee needs to recognize this context and that some of the ways to bring greater efficiency and effectiveness involve these other management components and complementary systems. **We recommend that GNWT find ways to complete legally-binding regional land use plans outside the Gwich'in and Sahtu Settlement areas, including completion and approval of the Dehcho Land Use Plan which is now over 20 years in process. There is also a need for regional land use planning in the Tlicho and Akaitcho areas.** If we had proper land use plans there would be greater certainty over where and when development and other activities can take place and under what terms and conditions.

**We also recommend that GNWT find ways to complete outstanding land rights agreements with Indigenous governments as there has been little visible progress over the last ten years.** This will help ensure greater certainty for all.

## Effectiveness

Although SCEDE has stated that it wants to consider the "operational effectiveness" of the land and water regulatory framework, it is not clear what is meant by this term. Effectiveness for whom and about what?

We believe that any assessment regarding effectiveness needs to be referenced back to the *MVRMA* purpose, principles and objectives as found in the relevant sections summarized below:

- s. 9.1 "enable residents of the Mackenzie Valley to participate in the management of its resources for the benefit of the residents and of other Canadians";
- s. 35 "The purpose of land use planning is to protect and promote the social, cultural and economic well-being of residents and communities in the settlement area, having regard to the interests of all Canadians" and "special attention shall be devoted to the rights of the Gwich'in and Sahtu First Nations under their agreements, to protecting and promoting their social, cultural and economic well-being and to the lands used by them for wildlife harvesting and other resource

uses; and land use planning must involve the participation of the first nation and of residents and communities in the settlement area.”

- s. 101.1 (1) “The objectives of the [Mackenzie Valley Land and Water Board] are to provide for the conservation, development and utilization of land and water resources in a manner that will provide the optimum benefit generally for all Canadians and in particular for residents of the Mackenzie Valley.”
- s. 114 “The purpose of this Part [5 Mackenzie Valley Environmental Impact Review Board] is to establish a process comprising a preliminary screening, an environmental assessment and an environmental impact review in relation to proposals for developments, and
  - (a) to establish the Review Board as the main instrument in the Mackenzie Valley for the environmental assessment and environmental impact review of developments;
  - (b) to ensure that the impact on the environment of proposed developments receives careful consideration before actions are taken in connection with them; and
  - (c) to ensure that the concerns of aboriginal people and the general public are taken into account in that process.”
- s. 115 “Guiding principles [for the Mackenzie Valley Environmental Impact Review Board]
  - (1) The process established by this Part shall be carried out in a timely and expeditious manner and shall have regard to
    - (a) the protection of the environment from the significant adverse impacts of proposed developments;
    - (b) the protection of the social, cultural and economic well-being of residents and communities in the Mackenzie Valley; and
    - (c) the importance of conservation to the well-being and way of life of the aboriginal peoples of Canada to whom section 35 of the Constitution Act, 1982 applies and who use an area of the Mackenzie Valley.”

Clearly the *MVRMA* is about establishing a co-management system to wisely use, conserve and protect the environment while requiring Indigenous government and public participation. Any assessment of its operational effectiveness therefore needs to consider these two significant matters—protection of the environment and Indigenous and public participation.

If SCEDE is interested in effectiveness of the *MVRMA*, especially land and water regulation, it is necessary to investigate the inspection and enforcement system by which the environment is to be protected, and compliance with terms and conditions is verified. There is virtually no public reporting other than individual inspection reports that appear to be posted to the public registries of the Land and Water Boards. There is no overall system reporting the number of staff, the number of inspections, or documenting any unacceptable compliance, orders issued, any enforcement actions



taken and more. There are provisions (s. 56) for this public reporting in the not yet in ce *Public Land Act*. We recommend that that **GNWT voluntarily begin such public reporting now on inspection and enforcement of land and water authorizations.**

Work also should be done to determine whether the water use and other fees generated through the *MVRMA* and its regulations cover the administrative costs associated with processing applications, inspections and enforcement. Fees should be set at a level (and regularly reviewed) to support these activities and avoid public subsidies to developers. We note that there are already provisions in the *MVRMA* for cost recovery (s. 79.4 for land and water permitting s. 142.01 for environmental assessments) but they require regulations and do not appear to have been implemented. **We recommend that SCEDE study and report on whether the fees associated with the land and water regulatory system cover administrative costs, including inspections and enforcement and addressing the issue of cost recovery.**

Another measure of the effectiveness of land and water regulation is the Environmental Audit carried out pursuant to Part 6 of the *MVRMA*. While the audits are beyond the scope of our submission, it is our understanding that many of the recommendations of past audits have yet to be implemented so that an integrated, comprehensive and fully-funded environmental management regime for the Mackenzie Valley is ensured.

On the issue of Indigenous and public participation in the co-management system in the Mackenzie Valley, we will confine our submission to public participation although we support many of the comments made by the Land and Water Boards on the [Interim Resource Management Assistance Program](#). The [Northern Participant Funding Program](#) at this point only covers environmental assessments and not proceedings in the land and water regulatory system. Alternatives North participated in a one-day workshop this past summer on this program and it is clearly still in its infancy with no clear guidelines or ways to obtain or allocate funding, especially for non-governmental organizations or members of the public.

Leaving aside the issue of capacity (dealt with below), we note that several of the initiatives underway by the co-management bodies, including the Mackenzie Valley Operational Dialogue, have not included invitations to NGOs. GNWT departments also have not included NGOs in many of their regulatory and legislative initiatives. This has been the subject of [previous letters](#), [submissions](#) and reports by previous Standing Committees (most notably, the [SCEDE report on Bill 74 Forest Act](#)). **We recommend that SCEDE promote the need for improved public participation in all environmental management based on the recommendations from these previous submissions and reports.**

## Efficiency

We endorse the concepts around efficiency as presented to the Land and Water Boards in their presentation to SCEDE on July 19, 2024. We offer some comments on the following topics as raised by the Boards:

## Education

We share the views of the Land and Water Boards that there has been abundant and helpful guidelines, bulletins and reference materials to assist applicants in understanding how our co-management system works. There has been mixed messaging from GNWT, however, regarding its position and attitude towards co-management and the *MVRMA*. Some messaging is very critical of the land and water regulatory system and not consistent with the overall approach of supporting reconciliation and the implementation of UNDRIP and open government. **GNWT needs to become more consistent and fulsome in its messaging and support for co-management and the integrated resource management system established through the *MVRMA*.** The same is needed from the mining industry itself as discussed further below.

## Capacity

We note that NGOs in the NWT, despite having very limited capacity, have made substantial and significant contributions to environmental management and public policy. More easily accessible participant funding to support participation in land and water regulation reviews would be helpful in promoting capacity-building, as noted above. Workshops, plain language materials and resources would also help promote improved public participation which is a cornerstone of the *MVRMA*.

The issue of capacity has also been problematic for public governments, restricting their ability and capacity to participate in co-management activities, including the implementation of the *MVRMA* and various new authorities under the devolution agreement. GNWT public engagement during legislative and regulatory development needs to improve and departments need to have the resources to do this work earlier in the process.

GNWT departments and the public service need to be able to participate more freely and provide their professional expertise during environmental assessment, and land and water regulation. This was highlighted by the Review Board during its assessment of the Tlicho All Season Road and through a [Lessons Learned study](#) commissioned by the Department of Lands. Departments and GNWT experts also need to be freed from the political and Cabinet constraints in the current [Project Assessment Policy](#).

**Where GNWT does not have the internal expertise, sufficient resources need to be secured for outside expertise.** This will be especially important with pending closure of Diavik diamond mine and the hydrocarbon facilities at Norman Wells to ensure there are no public liabilities and that the best possible closure and remediation takes place.

## Duplication

It is our view that there is little duplication or uncoordinated activities within the co-management system that has evolved in the Mackenzie Valley over the last few decades. There is always room for improvement, and identifying those opportunities is the function of the Environmental Audit. Some of the complementary environmental management systems are not consistent or based on the principles of co-management, transparency and accountability. In particular, we note that land administration by GNWT is evolving but the legislation and regulations have not been fully developed or implemented (i.e., the *Public Land Act*). It was encouraging to hear the Land and Water Boards say that the Department of Environment and Climate Change has moved to using the on-line review system for its regulation and review of wildlife monitoring and management plans. **We recommend that GNWT continue to move towards using on-line review systems, public registries and other transparency tools as have been adopted by co-management bodies.**

## Legislative/Regulatory Change

Public engagement by GNWT has typically been left to the end of legislative and regulatory development processes, which has not been helpful. As noted above and in previous submissions and reports, **GNWT needs to become an advocate for public participation in environmental management, including land and water regulation.** This can be done by ensuring departments have adequate resources and appropriate political direction when they undertake legislative and regulatory development or changes.

NGOs often have valuable information and perspectives to contribute, including outside expertise, but are too often excluded. Alternatives North, in particular, has a strong track record of making cogent submissions on resource management bills, often in collaboration with other NGOs. In fact our interventions have resulted in amendments that have strengthened transparency and accountability. The co-management bodies can also make more of an effort to be inclusive by inviting NGOs to participate in the Mackenzie Valley Operational Dialogue and similar initiatives.

## Response to Comments Made by the NWT and Nunavut Chamber of Mines

Alternatives North supports mining in the NWT as long as there is:

- a fair return to public and Indigenous governments for the extraction of mineral resources;
- the production takes place with appropriate controls that protect ecological integrity; and
- there is a net positive contribution to sustainability.

In reviewing the presentation by the NWT and Nunavut Chamber of Mines, we were not surprised to see several unfounded complaints about the land and water regulatory system. It's sadly the norm. We are of the view that this negative approach has become



a self-fulfilling prophecy that scares away investment from the NWT. Most of the advanced exploration projects in the NWT have been through environmental assessments and have been fully permitted. Those that do not proceed into production fail to do so because of external factors including commodity prices and financing. These deposits are not currently economic, find themselves in that situation due to the use of new technology or techniques and simply cannot attract financing.

Regulatory uncertainty is not the problem given our integrated and comprehensive co-management system. We note that the co-management bodies generally collaborate well, and have provided numerous guides, bulletins and other interpretive and educational materials. We have all the elements of certainty (other than the need for land use planning and settlement of outstanding Indigenous land rights) for appropriate resource development. In the absence of sound resource management there is no certainty. Just look at the case of the Ring of Fire which is so much closer to markets yet can't move forward because of Ontario's uncoordinated and disjointed resource management system.

The Chamber even attempted to link the decline in exploration in the NWT to regulatory uncertainty using the "evidence" of specious and unscientific Fraser Institute so-called surveys. To succeed, the mining industry has to get on board with co-management and start to promote it as the legitimate and necessary way to do business in the north.

While we acknowledge there are some areas where further regulatory clarity can be brought to bear, the Chamber of Mines isn't addressing them. Instead, it continues to call for the NWT to go backward, calling for deregulation of a lot of exploration work, a course that has been the source of much public concern and a lot of debris and contaminated sites left on the land.

We also note the recent [letter from Burgundy Diamonds](#) threatening to close its operation unless there are significant regulatory concessions. Alternatives North rejects such concessions. Rolling back environmental protections that are part of our co-management system and constitutionally protected land rights agreements with Indigenous governments is simply not on in 2024.

Class B water licences do not require or very rarely, if ever, result in public hearings. The level of scrutiny is exponentially lower. NWT water use fees are ridiculously low. Why should industrial users not pay for the use of public resources, even for building ice bridges or drilling? If our water use rates were higher, these funds could be used to cover regulatory costs including inspections, enforcement and co-management administration.

We do share some concerns expressed by the Chamber of Mines regarding the lack of transparency and accountability regarding public land administrations (i.e., land leases and other dispositions) as discussed above. Surface leases, which are privately negotiated documents between developers and GNWT, remain secret despite the fact

that they are made by a public government which should be accountable for its management of public resources.

The secrecy around surface leases makes comprehensive and integrated closure and reclamation planning difficult at best. There already was a surface lease given for mining operations at Prairie Creek by the federal government, with such an inadequate security cap that does not cover current liabilities at the site from previous operations (Prairie Creek almost went into production in the early 1980s). How to transition that lease into a modern lease where there are existing unsecured liabilities at the site would be a difficult task. **MLAs should ensure that the new Prairie Creek surface lease covers all liabilities at the site and that those become the responsibility of the current owner and not taxpayers.** For further advice and recommendations about preventing more public environmental liabilities and contaminated sites, please refer to [SCEDE Report on the Prevention and Management of Contaminated Sites](#).

New rules for financial security, reclamation requirements, land leases and more are being developed behind closed doors and there has been no public engagement for over two years despite departmental promises. **SCEDE should hold a public hearing on the lack of communications and public engagement on the development of regulations under the *Public Land Act*.**

### **SCEDE Review Process**

We note that the Legislative Assembly and Standing Committee website has been reworked and is now available on-line. However, there is very little easily accessible information on this ongoing SCEDE Regulatory Review. We are aware of at least three presentations that have been made to SCEDE as part of this review but these are not listed or linked in any way to the SCEDE webpage. Some of the presentation materials are available in the agendas and noted in the records of proceeding but not all are there. It is true that SCEDE meetings are generally broadcast but no links or even a list matters discussed is provided on the Committee webpage.

If there have been any written submissions, they are not documented or found on the SCEDE webpage. **We recommend that all relevant presentations, submissions and Committee documents be made publicly available on the SCEDE webpage in an easily identifiable, timely and accessible fashion. This is important in terms of procedural fairness and accountability as others may wish to see this information and respond to it.**

Please provide a list of the written submissions with links to the actual documents and links to the broadcasts. This should be done for all Committee initiatives to properly document and encourage public engagement.

We would be pleased to answer any questions or provide further information. We look forward to and request a copy of Committee's report on the above matters.

Sincerely,

A handwritten signature in black ink, appearing to read "K. O'Reilly". The signature is fluid and cursive, with the first name "Kevin" and last name "O'Reilly" clearly distinguishable.

Kevin O'Reilly  
For Alternatives North

cc. Committee Clerk [Committees@ntassembly.ca](mailto:Committees@ntassembly.ca)





**Chamber of Mines Submission  
to the  
NWT Standing Committee on Economic Development and Environment  
On Regulatory Review**

**Directions received from SCEDE: Seeking Input: Regulatory Review**

*The Economic Development and Environment Committee is undertaking a review of the regulatory framework for land and water use permitting under the Mackenzie Valley Resources Management Act (MVRMA), and its operational effectiveness. The MVRMA provides the overarching framework for a robust regulatory regime and Committee would like to evaluate the underlying processes and requirements, and their interpretation by all parties, to ensure they continue to meet policy and legislative objectives.*

*Committee's review intends to complement and build on the ongoing research and work done on the land and water use permitting process. Committee has particular interest in examining how the GNWT can provide further supports or make changes where needed and appropriate to address the capacity of parties to participate in the land and water use permitting process. It is Committee's intent to prepare a report on the findings which will recommend targeted actions and interventions the GNWT can take to improve the administration and effectiveness of the regulatory framework.*

This report was submitted by the Chamber of Mines NWT Regulatory Working Group to SCEDE  
August 6, 2024

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## **Key Industry Observations**

- **The regulatory system is not fully meeting policy and legislative objectives.**
- **This is hurting the economy of the NWT and resource benefits.**
- **Regulatory changes are needed to help improve this situation.**
- **In the face of a maturing diamond mining industry, multi years of lacklustre exploration investment, and a Federal strategy to develop critical minerals, now is the time for action.**

Details behind these observations follow in this paper. We also encourage SCEDE and other readers to refer to [the visual presentation materials we delivered to SCEDE on June 25](#).

## **Introduction to the Chamber of Mines**

Thank you for the opportunity to provide the Committee with the Chamber's thoughts on behalf of the NWT minerals industry.

The NWT & Nunavut Chamber of Mines is a membership-base, non-profit, industry association, championing on behalf of mineral resource development and production in the two territories.

The Chamber was created in 1967, the year the Northwest Territories government was moved from Ottawa to the newly anointed capital city of Yellowknife.

We currently have a membership exceeding 250 corporate and individual members representing mining, exploration, consulting, service & supply, and prospecting. We are proud that we can also count Indigenous individuals and corporations amongst our membership.

Chamber members represent a broad variety of experts in a variety of professions, with many years of experience working in many different countries. Through the Chamber of Mines, they offer their expertise at no charge to governments on how to create a supportive environment for robust mineral resource development.

Our Chamber supports our various members in responsible resource development for the benefit of northern residents. These goals are found in our Mission and Vision statements on our [Chamber website](#).

## **It's YOUR Minerals Industry**

It is very important to understand that we do not speak on behalf of, and to defend, OUR Chamber of Mines' industry, rather on behalf of YOUR industry. This is a point that has been missed by many.

The collection of companies and individuals working hard at mineral resource development are here at various governments' request, to do what governments cannot do on their own, and that is to:

- Find and convert responsibly rock of sufficient economic value into benefits, including training, jobs, business spending, and tax revenues;
- Bring a range of expertise to do this work;
- Assume the high risk of exploration, mining, financing and production in unpredictable markets; and
- Source and raise considerable investment money to do all phases of the job.



This is YOUR industry, and the success (or failure) of YOUR industry is very much controlled by the regulatory and working environment that public and Indigenous governments, including the institutions of public governance (regulatory boards), created to support it.

The minerals industry and its needs and benefits cross into multiple government responsibilities, and consequently managing for successful resource management takes considerable effort and coordination from governments, and their many departments and institutions of public government or boards.

### **Considerations for SCEDE's regulatory review**

The Standing Committee on Economic Development and Environment is *"undertaking a review of the regulatory framework for land and water use permitting under the Mackenzie Valley Resources Management Act (MVRMA), and its operational effectiveness.*

In the interests of potential (perhaps beneficial) duplication and effectiveness, it is important that the SCEDE also look at the previous [2020 NWT Environmental Audit](#), required every 5 years by law under the MVRMA, which has the same requirements as your request of us.

That 2020 Audit also identified significant shortcomings in the regulatory system, particularly under the Land and Water Boards, which have yet to be addressed.

Note too that the 2025 Environmental Audit is now underway, with a similar goal of regulatory effectiveness as the work of SCEDE. It may be helpful for SCEDE to speak with the auditors conducting that work.

We will touch on some of the information from the previous audit in our presentation.

### **Why SCEDE's regulatory review is important**

Your work is important for at least 4 reasons:

1. The NWT faces a significant economic challenge with maturing diamond mines, a challenge identified as far back as 8 years ago, and with still no resolution. Why not?
2. A process created to address concerns identified by the *2020 Environmental Audit*, the Mackenzie Valley Operational Dialogue (MVID), has not yet seen improvements, nearly five years after its creation. Why so long?
3. Improving the NWT's regulatory processes is complex due to the influence and control of two public governments, the territorial and federal; and it is now more complicated with the passage of the *Intergovernmental Agreement on Lands and Resources Management*, which shares regulation making with Indigenous governments. Given that resource development is beneficial to all of them, can SCEDE's review create an opportunity for effective changes to be made?
4. A Critical Minerals opportunity is facing the world, and Canada has made strong commitments through a national Critical Mineral Strategy to a domestic CM supply chain to benefit Canada, to address climate change, and to secure Canada's security of supply. This will mean significant growth in new mines. Can the Northwest Territories regulatory system be improved fast enough to compete and participate?

### **Regulations must be improved to help the NWT's mineral resource economy**

The NWT's world-class diamond mines have brought significantly large economic benefits to the north. In fact, the NWT placed in the [top three in global diamond production](#) last year, a position it has held for almost 20 years.

Unfortunately, these benefits are not projected to last.

Earlier this year, the Chamber of Mines released an economic analysis by Impact Economics titled “[Eyes Wide Open](#)”, which provides a stark reminder that individual mines and their benefits don’t last forever. It reminds us that we do not have sufficient new mines in development to offset the closure of the Diavik diamond mine in 2026.

The subsequent maturing of diamond mining, without sufficient replacements, will have a significant negative economic effect on the territory and its residents.

While no single mine is sustainable given it cannot operate forever, an industry can be sustainable provided healthy and continuous exploration finds new mines to replace those that close.

Unfortunately, for many reasons including regulatory challenges, the NWT has suffered over 15 years of lacklustre exploration investment.

It is time for action and SCEDE must seize the opportunity for timely regulatory improvement.

### **The 2020 Environmental Audit identified concerns for exploration**

Presumably, the requirement under the MVRMA for a regular 5-year audit of the act and actions under it, is to identify problem areas.

The Chamber of Mines has been monitoring exploration investment in the NWT for many years, and we regularly receive feedback from our members on the challenges they face.

In 2019, we identified our concerns to the team working on the 2020 Audit.

Through their investigations, they confirmed our concerns that small-scale, early-stage mineral exploration was suffering in the NWT. This key finding was published in the *2020 Environmental Audit*:

- *“Despite the efforts of LWBs, small exploration companies continue both to struggle with the application process and to meet its requirements. If allowed to persist, this disconnect between industry and regulators will continue to affect the level of exploration activity in the territory which, in turn, will affect the NWT’s socio-economic environment.”<sup>1</sup>*

This long-term lacklustre exploration investment has contributed to the decline in mining benefits the NWT is facing as described in the “Eyes Wide Open” analysis.

We would have hoped that the MVRMA legislation would have captured this.

### **The NWT’s unique MVRMA legislation requires consideration of economic well-being**

The Mackenzie Valley Resource Management Act is unique in Canada.

This land claims-based legislation has within it the expected requirements and tools to protect the biophysical environment, but it has an important distinction, that is the principle to create and protect economic well-being.

It is our observation that land and water boards have not taken care of this critically important principle, by allowing their actions to negatively affect mineral exploration, particularly the early stage that is necessary to create advanced projects and then mines.

In essence, the LWB’s have negatively affected NWT’s socio-economic environment.

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<sup>1</sup> [2020 NWT Environmental Audit – Technical Report](#), page 27, last paragraph

The land and water boards must work harder to fulfill the MVRMA's economic benefits mandate with monitoring, policies and speed. Given too that they are captive to legislation and regulations created by others, specifically the NWT Government (with Indigenous government participation now under the Inter-Governmental Council), they must be joined in their work by governments in making appropriate changes to secure a healthy investment climate.

### **MVOD Process has not worked**

Action did occur as a result of the 2020 Audit. The concerns that it flagged resulted in Canada creating a unique process for change, called the Mackenzie Valley Operational Dialogue (MVOD).

Begun in 2020, MVOD was created to look at changes that might be made in operational actions at the land and water board level that could address the issue, for example, changes in policies and procedures. It did not, however, contemplate regulatory changes.

Through Canada's desire to find regulatory improvements nationally through the Critical Minerals Strategy, the idea of regulatory changes was introduced to MVOD just recently.

However, it is now mid-2024, and if speed is a measure of success, then the MVOD process has failed to bring timely changes to address the concerns raised in the 2020 Audit. It is clear that many communities do not understand the regulatory process and so much time is lost at every session to try and educate. This could be an initiative under the Pathfinders' Group at ITI.

Work is now underway on the 2025 Audit, and industry has flagged to the auditors the same problem as we did in 2019.

### **Specific Issues Industry has with the regulatory system**

#### ***Government and Land Water Board Policy creep over many years***

There are a number of consequences of policy creep, those seemingly innocuous changes that Boards and regulators make that effectively have a cumulative effect that makes a jurisdiction increasingly and unnecessarily complex, and less attractive for investment, eg:

- Grassroots exploration treated as Advanced Exploration
- Water use definition overkill (Circulating water, ice pads, ice roads)
- Type B water licenses treated as Type A – unnecessary cost and time
- Advanced exploration project treated as mining & milling (e.g., Kennady Diamonds)
- No clear "Undertakings" classification for early-stage exploration projects in the regulations leading to confusion
  - How, or when, did early-stage exploration get classified as "miscellaneous"?

We suggest that policy creep can be arrested by a number of actions by regulators, e.g.:

- Be transparent with industry on changes you are trying to make and why . It's important to demonstrate evidence based decision-making;
- Listen and take industry's responses seriously for they know the consequences best;
- Consider unintended and negative consequences of your actions, e.g., economic well-being, unnecessary workload, cost increases, etc. and mitigate them;
- Carefully consider timing of regulatory changes:
  - too many simultaneous changes to legislation and regulations result in greater uncertainty for industry and its investors.

- Changes to legislation and regulation need to occur when NT economy is stable, not in the middle of a significant contraction.

### ***Inspectors' powers diminished – Created unintended consequence***

The authority of land use inspectors formerly allowed them to make field decisions, allowing them to make seasoned and informed judgment calls quickly, on the spot when dealing with resource projects.

This ability is still maintained in the Inuvialuit Settlement Region and on Federal lands within the Mackenzie Valley.

Sections 84 and 86 of the MVRMA give inspectors authority to “exercise powers relating to verifying compliance or preventing non-compliance ...” and “in accordance with the regulations, order the person who is using the land to take any measures that the inspector considers reasonable to mitigate, remedy or prevent the adverse effect”. As inspectors are in regular contact with permit holders, this ability to provide direction in response to actual field circumstances allows for timely responses that are often needed by explorers. There has been no change to the MVRMA to this authority to the Chamber’s knowledge.

However, on territorial lands in the Mackenzie Valley, the Boards decided to remove this power for reasons not communicated to industry. We are led to believe that the Boards developed conditions with the advice of legal counsel and then removed “unless otherwise authorized in writing by an Inspector” from numerous standard land use permit and water license operating conditions.

For such a small jurisdiction, this has added to unnecessary and inconsistent regulatory complexity. It begs the question why we need different rules on these various NWT lands.

One of the benefits of field decision-making power is that it allows inspectors to make decisions quickly and on the spot. For example, explorers commonly must adjust their work to suit the nature of unpredictable mineralization as they uncover it. For example, they may require different lakes than planned to get drilling water. Since one can’t predict in advance when this might happen, field decisions made by the inspector make that easy. However, that authority was removed. It should also beg the question, “Who understands the regulatory environment and the impacts on that environment better than an inspector?” In early-stage exploration, an inspector should be allowed to provide their input on potential effects. The Inspector can see what solutions might minimize environmental effects in real time on the ground. It is just not possible to anticipate every possible field condition during the permitting and regulatory process: Inspectors must be able to authorise changes to project plans to best protect the environment and facilitate socio-economic prosperity.

For example, one of the unintended consequences of a company’s inability to predict in advance exactly which lakes they might need to draw drill water from was that the Boards then compelled explorers to provide detailed bathymetry of every lake on their mineral tenure. This is virtually an impossible (if not ridiculous) task; one that is very costly and candidly, somewhat useless. At the end of the exploration program there would have been many lakes that were never used but yet had to be assessed. Historically, an Inspector could authorize use of waterbodies for drilling on an as-needed basis (and still can on Federal lands and in the ISR).

We believe the ability to make field decisions should be returned to the Inspectors.

### ***Water Regulations***

Specific sets activities to be regulated under the NWT Waters Regulations are detailed as ‘undertakings’ in a number of Schedules in the Regulations (e.g., Municipal, Mining and Milling, etc.).



The Waters Regulations are silent on early-stage exploration. Through conversations with staff who have watched regulatory evolution over the past 40+ years, this was done purposefully, recognizing that small scale exploration has virtually negligible effects on the environment.

However, for reasons unknown to industry, the land and water boards have interpreted this omission as an oversight, and have decided mineral exploration must be fit under the Schedules. There have been inconsistencies here too, with some projects being designated under “Miscellaneous” and some under “Mining and Milling”.

This creates inconsistencies, and it also assigns exploration to categories it was not originally meant for.

### **Water Use**

“Water use” is now defined by the Boards as:

“Any withdrawal or diversion of water, directly or indirectly, from a water source for any period of time is considered a water use, since the water that is removed is not available to other potential users of the water source during that time.”

This definition would seem better suited to an environment where water use is a competitive property, perhaps in the south for irrigation, which this implies.

One would think water use would be defined environmentally.

Or perhaps it is not a water use if you are the only one using it, i.e. there is no other potential user or you have sole rights on your mineral claim? Or is it a water use if the other users are caribou, wildlife and other living things? This might help explain how confusion is created.

A new interpretation of water use occurred around 2018, with the first issuance of the water use bulletin from the LWBs. It included recirculation of water from and back to a water source as a ‘use’. It is a common and necessary practice in winter to circulate water back to the source when the drill is not running to prevent hose lines from freezing. The water is returned unchanged, yet it has become a use.

The consequence of this redefinition was that even though the actual water volume used for drilling hadn’t changed, water recirculated back to the source through a hose increased water use for a project. This required some projects to either get a Type B Water License or reduce drilling (down to as little as one drill to stay under the maximum allowable without a water license of <100 m<sup>3</sup>). The TerraX project is an example of a project which had a very short term spike in water use to 70m<sup>3</sup>, which the boards have incorrectly established as a new normal. It is not.

(Note: one drill uses about 30-40 m<sup>3</sup> of water. The remainder of use went to recirculation.)

In other situations, an exploration project normally requiring a Type B water license could now be required to get a Type A license, one more aptly suited to mining. A Type A license is much more costly, comprehensive, and time consuming adding additional unnecessary burden on explorers.

In either situation, it is regulatory “overkill.”

From an environmental perspective, it is important to distinguish between water withdrawal and water consumption when considering the matter of direct water use. Water that is withdrawn may or may not be consumed and water consumption has different environmental implications than water withdrawal without consumption. Typically, water that is withdrawn from a watercourse but returned to its original watershed without any alteration is not considered consumption. This is relevant to the Board’s consideration of whether water that is recirculated for drilling or water that is applied to portages should be included in the calculation of water use. These are only two of many possible examples where water

might be withdrawn but not consumed with little potential for negative environmental impacts. The Board's definition of water use must align with its overall mandate to as set out in the MVRMA and this likely warrants distinguishing between withdrawal and consumption in considerations of the definition and interpretation of direct water use and how water use is ultimately regulated.

### **Action Recommended by the Boards**

In May 2024, the Land and Water Boards of the Mackenzie Valley collectively recommended to GNWT and CIRNAC/Northern Affairs Ministers:

- The Regulations are outdated and a source of uncertainty in the regulatory process.
- Focused amendments to the Regulations should be prioritized over updates to the Waters Act.
- Many proponents and some co-management partners support focused amendments to the Regulations.
- A discussion between co-management partners needs to be reinitiated.

### **The Chamber of Mines has agreed with these recommendations**

#### ***Definitions***

This water use example is one where new definitions have made a difference that is not supportive of effective exploration in this high cost jurisdiction.

There is another important definition required to help sort out some of the challenges we face. A new schedule is required to help define small-scale exploration. This schedule would define limits on drilling and water limits for smaller-scale programs versus advanced exploration, exemptions for water use calculations (e.g., water used for ice bridges, winter road portages, water recirculated for drilling, and etc., not counted toward water use).

#### ***Consultation and Engagement***

As discussed at the meeting with SCEDE, consultation is the responsibility of the Crown, not industry. However, engagement is something that the industry is well-placed to do.

However we appreciate help with both.

We are appreciative of the work of GNWT-ITI's Client Service and Community Relations (CSCR) Unit, the first point of contact within the GNWT for those navigating matters of non-renewable resource exploration and development in the NWT. As stated on the website, *The Unit is in place specifically to assist and connect industry, communities and governments to build mutually beneficial working relationships maximizing economic opportunities in responsible resource exploration and development.*

We are aware that they are under-resourced, and we recommend that they be given more staff to help get over some of the issues identified above, as well as smooth the path for investors.

It is clear that many communities do not understand the regulatory process and so much time is lost in the land use permitting process due to lack of knowledge. It is the government's responsibility to consult and consultation should not be complete by sending out a LUP to communities. Someone needs to help explain the process and this is where the Pathfinder's Group could play an important role. Every industry member is expected to engage, not consult. (We note that a very recent Déliné Got'Iné Government submission to the MVLWB even confuses the two). It is obvious that having the Boards send an application out to the communities has severely failed in the consultation process. This can be classified as a huge loss in consultation and likely why communities believe it is industry's job to consult. IT IS NOT!

### **Surface Leases**

The NWT Government issues surface leases to companies that plan to construct or operate mines (note these are different than subsurface mineral leases under the mining regulations).

These surface leases cover infrastructure like structures, buildings, dams, roads, etc, to support mining operations. Investors providing millions to billions of dollars need to have that land tenure to help provide security for their investment, to make it bankable.

The NWT Government has decided that they will issue these leases outside of, and somewhat unlinked to the very comprehensive environmental approvals process that all new mines must undergo. This comes in the form of GNWT Ministerial discretion to make changes to those leases when it suits the government.

This has created some uncertainty when Ministerial discretion can be exercised without much justification. It detracts from the NWT's regulatory certainty and attractiveness.

The GNWT engaged Ernst Young to conduct studies to compare us to other jurisdictions and which have recommendations on what to do to bring us into line.

SCEDE should investigate this.

### **Duplication & Departmental Siloing**

Some members have identified a problem with duplication of effort, particularly with information provided to various regulators.

Members have observed for years that there is a siloed approach between GNWT departments that is not helpful.

For example, the Chamber has been asking for meetings with ECC like they have had with ITI for years. The Chamber has also heard that ECC's approach to deal with water issues is to open up and revise the Waters Act. This would create a significant and unnecessary delay in getting proper definitions and easier access for early-stage exploration and cause additional uncertainty for exploration companies and investors. At a time when the future of the NWT economy is at serious risk, there should be an all-of-government approach to improvement. A regulatory fix is all that is needed, but that does not appear to be the intent of ECC.

### **SUMMARY of Considerations for SCEDE Moving Forward**

In summary, our members have identified the following concerns which we recommend SCEDE investigate further to seek changes to help the NWT's minerals industry.

- Government and Land Water Board Policy creep
- Inspectors' powers diminished
- Water Regulations
- Water Use
- Definitions
- Consultation and Engagement
- Surface Leases
- Duplication
- Remove the siloed approach between departments to fix the problems.

**Additional recommendations:**

We also recommend that regulators:

- **Pay more attention to socio-economic effects of the actions they take.** The MVRMA is unique legislation requiring not just a focus on biophysical effects but on economic well-being. Economic benefits and well-being of residents seem to have been lost.
- **Please listen to industry.** We are not the enemy. We are here at governments' request to contribute to and enhance the economy. The many professionals and technical experts working within our ranks have knowledge to contribute to better resource management and decision making for the benefit of the NWT. We are building YOUR industry, and our success is reflected and impacted by the work that government (public and Indigenous) regulators and other resource managers do.
- **Move more quickly to identify and address problems.** We flagged some of our concerns over 10 years ago, but they seem to have fallen on deaf ears; action was not taken or was far too slow. The challenging economic situation the NWT finds itself in may have been averted.
- **Respond in a timely manner to Audits.** The 2025 Audit is now underway, yet recommendations of the previous Audit are still outstanding.

Finally, we would also like to reiterate that the NWT is an increasingly complex jurisdiction to work within. There is not just one government in charge of resource management and regulation. With this many "cooks in the kitchen", and all at different levels of resource knowledge and experience, it can be difficult to create a 3-Star Michelin Restaurant. It is the government's responsibility to consult and this problem can be directly attributed to limited to no consultation.

Undoubtedly, the NWT can be that 5-Star investment destination. From discoveries made 30 years ago, the NWT has become the third most important diamond producer in the world. It ranks in the top tier globally for its mineral potential. (in the top 10 of the 2024 Fraser Institute Survey of Mining Companies).

The NWT also hosts tremendous potential and opportunity given the world's growing hunger for critical minerals to address climate change and an unprecedented fossil fuel transition.

In addition to regulatory improvements we have identified, there are many other actions that governments collectively can take to rejuvenate their NWT minerals industry.

As economist Graeme Clinton's report "Eyes Wide Open" observed, it will take common and strong vision.

We look forward to the 20<sup>th</sup> Assembly working in partnership with Indigenous Governments and Canada for that vision.

Thank you for considering this report and its observations and recommendations favourably.

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# Líidljí Kúé First Nation

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September 5, 2024

Robert Hawkins  
Chair  
Standing Committee on Economic Development and Environment  
Northwest Territories Legislative Assembly  
[Robert\\_Hawkins@ntassembly.ca](mailto:Robert_Hawkins@ntassembly.ca)

Katie Weaver Charpentier  
Committee Clerk  
Standing Committee on Economic Development and Environment  
Northwest Territories Legislative Assembly  
[Katie\\_WeaverCharpentier@ntassembly.ca](mailto:Katie_WeaverCharpentier@ntassembly.ca)

**RE: Invitation to Provide Feedback on Land and Water Use Permitting Under the Mackenzie Valley Resources Management Act**

Dear Mr. Hawkins and Ms. Weaver-Charpentier,

Líidljí Kúé First Nation (LKFN) is writing in response to the Northwest Territories Legislative Assembly on the Standing Committee on Economic Development and Environment (Committee) regarding the Land and Water Use permitting review under the Mackenzie Valley Resources Management Act (MVRMA).

LKFN has participated in numerous Land and Water Use permitting processes under the MVRMA, including most recently related to the Redknife River Bridge Project, the Jean Marie River Bridge Project, and the Liard River Dredging Project. LKFN is involved also in numerous larger regulatory processes for major projects such as the Mackenzie Valley Highway, Prairie Creek Mine and All-Season Road, Cantung and Enbridge Line 21.

Through our experiences in the permitting process, LKFN has repeatedly found that the Mackenzie Valley Land and Water Board (MVLWB) fails to address the concerns we raise related to Indigenous procurement and monitoring. On numerous files, LKFN has provided public comments on regulatory processes for Land and/or Water Use permits regarding the need for projects to economically benefit impacted Indigenous communities by providing preferential contracting and procurement opportunities to those impacted Indigenous communities, in line with economic reconciliation and stated goals of the GNWT. LKFN has specifically requested for the inclusion of Indigenous Participation Plans (IPPs) in all tenders, detailing specific benefits for Indigenous people and firms. Preference for impacted Indigenous Nations should be weighted heavily as an accommodation for project impacts. LKFN has likewise noted the importance of providing opportunities for Indigenous monitors on projects to ensure projects are completed to the environmental satisfaction of impacted Indigenous communities. On numerous occasions, LKFN has requested monitors to be present, but has not been notified about subsequent upcoming opportunities. In response to these requests, LKFN has received dismissive and boilerplate responses from both the MVLWB and the GNWT.

LKFN notes that there is no reference within the MVRMA that prevents the Board from acting in such a way as to provide directives to proponents on contracting and procurement.

In a recent example, LKFN expressed the interest to bid on work and the need for LKFN monitors on work related to the Mackenzie Valley Highway, as an official comment on the Developer's Assessment Report. Despite these comments, LKFN was neither given the opportunity to bid nor notified of monitoring opportunities related to recent work on archaeology, bathymetry and fish habitat

research for the project. LKFN has received, similarly, recent dismissive responses from the GNWT-INF on the Redknife Bridge project, the Jean Marie River Bridge project and the Liard Crossing project.

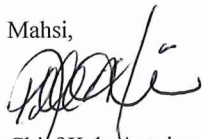
Given the GNWT's and the MVLWB's failure to address these critical issues, it is no surprise that the GNWT has also neglected to set procurement targets that reflect the Indigenous population in the NWT. While the Federal government has established a 5% Indigenous procurement target to match the Indigenous population percentage in Canada, Indigenous people make up 50% of the NWT's population. It is essential that the GNWT establish a corresponding procurement target for its contracts, both as a vital step toward reconciliation and to ensure fair opportunities for local Indigenous businesses.

In a recent meeting with the MVLWB, LKFN expressed disappointment and the need for change at the Board level regarding what constitutes meaningful accommodation of potential impacts through economic reconciliation for impacted Indigenous Nations. The MVLWB noted they are supportive of LKFN's position; however, they stated that they are constrained by their legislation to provide direction to proponents on contracting and procurement. Despite these claims, they could not point to any specific language in the legislation that prohibited them from including conditions in Water Licenses or Land Use permits that require IPPs for contracting and procurement. LKFN has yet to receive any formal response back from the Board on this matter.

The concerns raised by the Gwich'in Annual Assembly highlight a broader issue affecting Indigenous procurement across the Northwest Territories (NWT). Their resolution to halt NWT government procurement on Gwich'in land until a new economic agreement is established underscores that this significant frustration shared by Indigenous Nations across the Territory. LKFN shares the Gwich'in Tribal Council's dissatisfaction with the GNWT's tendering practices, as well as their push for a new economic cooperation agreement. It is clear that there is a need for systemic reform to properly prioritize Indigenous businesses and respect Indigenous rights. This is essential to achieve inclusive, local economic development and ensuring that all First Nations, including LKFN have a fair chance to compete for and secure contracts on our Traditional Territory.

LKFN urges the Northwest Territories Legislative Assembly to support mandating the Land and Water Boards to include IPPs and Indigenous monitor requirements in all Water Licenses and Land Use permits.

Mahsi,



Chief Kele Antoine

Líídlíí Kúé First Nation

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Friday, September 27, 2024

Mr. Robert Hawkins  
Chair  
Standing Committee on Economic Development and Environment  
Government of the Northwest Territories  
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**RE: Invitation to Provide Feedback on Land and Water Use Permitting Under the Mackenzie Valley Resources Management Act**

Dear Mr. Robert Hawkins:

West Point First Nation is writing to provide its feedback regarding the Invitation to Provide Feedback on Land and Water Use Permitting Under the Mackenzie Valley Resources Management Act (MVRMA). West Point First Nation understands that the scope of this review is focused on the following areas, Regulatory Framework of the MVRMA, MVRMA Processes and Requirements, and it has been identified by the Committee that it has particular interest in examining how the GNWT can provide further supports or make changes where needed and appropriate to address the capacity of parties to participate in the land and water use permitting process.

West Point First Nations comments, and feedback will focus on operational effectiveness some of the processes and requirements of MVRMA and the Mackenzie Valley Land and Water Board (MVLWB) as well as how the GNWT can provide further supports or make changes where needed and appropriate to address the capacity of parties to participate in the land and water use permitting process.

#### Effectiveness and Efficiency of the Current Regulatory Framework

When it comes to operational effectiveness and the operational effectiveness some of the processes and requirements of MVRMA and the Mackenzie Valley Land and Water Board (MVLWB). West Point First Nation often receives multiple autogenerated emails from the MVLWB on a daily basis. These notifications can 3 or 4 notifications one day and another day the notifications can be 15 or more. Some of the notifications can be related land, water and resource management activities affecting West Point First Nation land use areas. Other MVLWB notification can be related to land, water and resource management activities outside West Point First Nation land use areas, such as receiving notifications for Inuvik. Receiving multiple daily notifications from the MVLWB is affecting an Indigenous Governments ability participate effectively participate in reviewing MVLWB notifications related to land, water and resource management activities affecting their land use areas.

Another issue with operation effectiveness relates to timelines. The notifications from the MVLWB can be complex and require time to adequately review the MVLWB notification. The MVLWB notifications can come with limited timelines to review and provide comments and feedback on especially if it is related to regulatory permit applications that impact be related land, water and resource management activities affecting and Indigenous Governments land use areas.

Examining how the GNWT can provide further supports, make changes and address the capacity of parties to participate in the land and water use permitting process.

This is a critical issue for West Point First Nation (WPFN) needs capacity support and additional support in order to effectively participate in reviewing MVLWB notifications related to land and resource management activities affecting their land use areas.

Each year WPFN applies for the GNWT Interim Resource Management Assistance (IRMA) funding. The IRMA funding is intended to provide funding to Indigenous communities in unsettled land claim areas to participate in land and resource management activities affecting their land use areas. This applies to the MVRMA, MVLWB etc. While the funding is intended to support First Nation and Métis groups to participate in the consultations associated with regulatory processes, environmental assessments, and resource management policy and legislation. The funding provided is woefully inadequate to effectively participate in land and resource management activities affecting and Indigenous Governments land use areas.

The IRMA funding is allocated once a year on a per capita basis and not based on actual demonstrated financial need and does not support a First Nations ability to participate in consultations related to the MVRMA and the MVLWB regulatory processes.

Case in point an annual per capita basis base funding amount of **thirty thousand dollars a year** of IRMA funding combined with Resource Pressures funding is not enough for an Indigenous government to effectively participate in the consultations associated with regulatory processes, environmental assessments, and resource management policy and legislation. This low amount limits an Indigenous Governments ability participate effectively participate in reviewing MVLWB notifications related to land and resource management activities affecting their land use areas and has to pick which MVLWB notifications to review and respond to.

As mentioned, the IRMA funding of Thirty Thousand a year for an Indigenous Governments ability participate effectively participate in reviewing MVLWB notifications related to land and resource management activities affecting their land use areas is woefully inadequate to especially when it is to cover like:

- The salary of the land and resource management staff member
- Travel to attend committees or working groups established to provide input to resource management boards processes created under the Mackenzie Valley Resource Management Act (MVRMA),
- Review MVLWB notifications of land, water and resource permitting applications affecting West Point First Nations land use areas, water licence and land use permitting processes; or environmental assessment processes run by the Mackenzie Valley Environmental Impact Review Board, Mackenzie Valley Land and Water Board as outlined in the MVRMA.
- Costs of professional expertise



- Costs associated with the development of various maps, documents, reports that are needed to analyze environmental and social impacts of a proposed development.

Thirty Thousand dollars of IRMA Base Funding with Pressures funding does not go very far, and it means an Indigenous Government often has to pick and choose which MVLWB notifications to review and respond to as they are extremely limited in capacity and ability to respond to such notifications and participate in the regulatory process. And cannot effectively participate in land and resource management activities affecting and Indigenous Governments land use areas if they are having to pick which notifications to review and respond to.

If the Standing Committee is looking at how it can provide further support and address the capacity of parties to participate in the land and water use permitting process. It would be good if the Committee.

- Look at increasing the IRMA funding and removing the per capita basis funding to allow an Indigenous government to be better funded so they can adequately participate in land and resource management activities affecting and Indigenous Governments land use areas.
- The Mackenzie Valley Resources Management Act (MVRMA) is Federal Government legislation. The GNWT needs to work the Government of Canada to make sure that it receives adequate funding from the Government of Canada to make sure that a First Nations can be funded adequately participate in land and resource management activities affecting their land use areas.
- Another area of support is in making sure there is training in the MVRMA and MVLWB regulatory processes. This is a complex legislation and regulatory framework, and some Indigenous governments do not have full understanding and capacity to understand the MVRMA and the MVLWB.

Please keep West Point First Nation updated on the status of the review of the MVRMA. If you have any questions regarding this written response Invitation to Provide Feedback on Land and Water Use Permitting Under the Mackenzie Valley Resources Management Act. Please email West Point First Nation Lands Coordinator John Sexsmith at [land@wpfn.ca](mailto:land@wpfn.ca)

Sincerely,

John Sexsmith  
Lands Coordinator  
West Point First Nation

Cc:  
Kenneth Cayen  
Chief  
West Point First Nation

Wendy Ross  
Band Manager  
West Point First Nation