

Memorandum of Understanding

Between:

Canada-Nova Scotia Offshore Petroleum Board
(as represented by the Chief Executive Officer of the Board)

&

Fisheries and Oceans Canada
(as represented by the Deputy Minister on behalf of the Minister of Fisheries and Oceans)

Hereinafter referred to as the Parties

1.0 PREAMBLE

WHEREAS, pursuant to the *Oceans Act* the Minister of Fisheries and Oceans is to lead and facilitate the development and implementation of a national strategy for the integrated management of estuarine, coastal and marine waters that form part of Canada or in which Canada has sovereign rights under international law and, in that pursuant to the *Oceans Act* the powers, duties and functions of the Minister of Fisheries and Oceans extend to and include all matters over which Parliament has jurisdiction, not assigned by law to any other department, board or agency of the Government of Canada, relating to the policies and programs of the Government of Canada respecting oceans;

WHEREAS, the *Fisheries Act* sets out the powers and duties of the Minister of Fisheries and Oceans with respect to the conservation and protection of fish and fish habitat;

WHEREAS, the *Species at Risk Act* assigns the Minister of Fisheries and Oceans as the competent minister with respect to aquatic species other than those individuals in or on federal lands administered by the Parks Canada Agency and, in that capacity, the Minister of Fisheries and Oceans has powers and duties with respect to protecting aquatic species listed under that Act;

WHEREAS, Fisheries and Oceans Canada ("DFO") is responsible for the management and protection of Canada's oceans through several pieces of legislation, including the *Oceans Act*, *Fisheries Act*, and *Species at Risk Act*;

WHEREAS, pursuant to the *Accord Acts*, the Canada-Nova Scotia Offshore Petroleum Board ("CNSOPB") has the authority to make such decisions respecting petroleum resource activities in the offshore area as are in accordance with the *Accord Acts*;

WHEREAS, the Parties intend to cooperate on the efficient and effective review and, where deemed appropriate, approval and follow-up monitoring of petroleum exploratory and development projects, so as to promote economic development in the offshore area that is balanced by marine environmental protection and conservation;

WHEREAS, the Parties intend to identify priorities, opportunities, and/or approaches that may strengthen regulatory processes for petroleum activities in the offshore area, including continued advancement of policy, regulatory standards, industry best practice, and science and technology;

WHEREAS, the Parties intend to collaborate on the development and implementation of integrated management plans for marine and coastal waters in respect of the offshore area, including associated actions pertaining to the management of Canada's commercial, recreational, and Aboriginal fisheries, at-risk aquatic species and their Critical Habitat, and the identification and management of Marine Protected Areas; and

WHEREAS, subject to legislative and regulatory requirements, relevant proprietary rights and confidentiality obligations owed to any third parties, the Parties intend to promote information sharing, dissemination, and knowledge transfer, between themselves, and where permissible, with industry, academia, other organizations, and the public at large.

THEREFORE, the Parties agree to the following Memorandum of Understanding ("MOU"):

2.0 DEFINITIONS

In this MOU unless the context otherwise requires:

"*Accord Acts*" means the federal *Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation Act* (S.C. 1988, c.28), as amended from time to time, and the provincial *Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation (Nova Scotia) Act* (S.N.S. 1987, c.3), as amended from time to time;

"adaptive management" means a management approach that incorporates a systematic process to improve management policies and practices by incorporating the lessons-learned from previous policies and practices;

"ecosystem approach" means an adaptive approach to managing human activities that is specified geographically, takes into account ecosystem knowledge and uncertainties, considers multiple external influences, and seeks to ensure the coexistence of healthy ecosystems and human activities;

"*Fisheries Act*" means the *Fisheries Act*, R.S.C., 1985, c. F-14, as amended from time to time;

"*Oceans Act*" means the *Oceans Act*, S.C., 1996, c. 31, as amended from time to time;

"offshore area" means the Nova-Scotia offshore area as defined in the *Accord Acts*;

“petroleum” means oil or gas as defined in the *Accord Acts*;

“precautionary approach” means erring on the side of caution; where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation;

“*Species at Risk Act*” means the *Species at Risk Act*, S.C., 2002, c. 29, as amended from time to time; and

“sustainable development” means development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs.

3.0 AUTHORITY & PURPOSE

- 3.1 This MOU is entered into pursuant to section 46 of the federal *Accord Act*, section 50 of the provincial *Accord Act*, and paragraph 33(1)(b) of the *Oceans Act*.
- 3.2 The purpose of this MOU is to facilitate and promote effective coordination of activities of mutual interest between the Parties, and to avoid duplication of work in relation to petroleum activities in the offshore area.
- 3.3 For greater certainty, the MOU does not apply to the services provided by the Canadian Coast Guard, a Special Operating Agency within Fisheries and Oceans Canada; and
- 3.4 It is not intended, nor will it be interpreted, that this MOU creates, imposes, or implies any statutory or legal duties, rights, obligations, liabilities, claims, or actions on or against the Parties. It is further not intended, nor will it be interpreted, that this MOU gives to the Parties any power or authority that they do not otherwise hold nor does it relieve, exclude, or prohibit the Parties from performing any duties that they are responsible for under the applicable statutory authority by which they operate. For greater certainty, this MOU is not legally binding.

4.0 OBJECTIVES

The MOU provides a mechanism for the Parties to work cooperatively towards shared objectives including:

- 4.1 the efficient and effective use of available resources to address marine environmental protection and conservation issues in the offshore area;

- 4.2 the promotion of the sustainable development of non-renewable ocean resources;
- 4.3 the identification of priorities, opportunities, and/or approaches that may affect the regulation of petroleum resources in the offshore area, and address gaps in policy, regulatory regimes, and science and technology programs;
- 4.4 the best use of knowledge and of jurisdictional authorities to ensure that petroleum activities in the offshore area are conducted in accordance with legislative and regulatory regimes; and
- 4.5 the promotion of information sharing, dissemination, and knowledge transfer between the two Parties and, where permissible, with industry, academia, other organizations, and the public at large, in accordance with legislative and regulatory requirements, relevant proprietary rights, and confidentiality obligations owed to any third parties.

5.0 PRINCIPLES OF COOPERATION

Consistent with Canada's *Oceans Act* and other relevant legislation, the following principles will guide the actions of the Parties:

- 5.1 **Sustainable Development:** Both Parties promote the understanding of oceans, ocean processes, marine resources, and marine ecosystems, in order to foster the sustainable development of oceans and their resources. Implicit in sustainable development is a recognition that social, economic, and environmental factors are connected and must be considered collectively in decision making.
- 5.2 **Conservation:** Both Parties hold that conservation, based on an ecosystem approach, is of fundamental importance to maintaining biological diversity and productivity in the marine environment.
- 5.3 **Integrated Approach:** Both Parties recognize that the offshore area is a shared resource providing benefits to many interests and that management decision-making affecting the use of the ocean space can be effective if all interests are considered, represented, and involved.
- 5.4 **Precautionary Approach:** Both Parties promote wide application of the precautionary approach to the conservation, management, and exploitation of marine resources, in order to protect these resources and preserve the marine environment. The uncertain and incomplete nature of science relating to the environment invokes the precautionary approach where it is necessary to exercise caution in adopting safe minimal standards for all development.

When there are threats of serious or irreversible damage the precautionary approach is to be applied.

- 5.5 Adaptive Management:** Both Parties recognize the importance of considering adaptive management practices in the interest of improving management policies and practices in the offshore area.
- 5.6 Economic Prosperity:** Both Parties recognize that the oceans and their resources offer significant opportunities for economic diversity and the generation of wealth for the benefit of all Canadians, and in particular for Nova Scotia.

6.0 AREAS OF COOPERATION

The Parties may cooperate on, but not be limited to:

- 6.1** the establishment of priorities for areas of collaborative work through annual work planning;
- 6.2** the review and assessment of environmental issues related to petroleum activities and projects in the offshore area in accordance with applicable legislation, regulations, and policies;
- 6.3** the review and recommendation of regulations, guidelines, and environmental management best practices;
- 6.4** the addressing of issues identified by government audits where each agency shares an interest or accountability;
- 6.5** the development and implementation of integrated management plans for marine and coastal waters in the offshore area, including associated actions pertaining to the management of Canada's commercial, recreational, and Aboriginal fisheries, at-risk aquatic species and their Critical Habitat, and the identification and management of Marine Protected Areas;
- 6.6** the review and making of recommendations for the setting of research priorities by any research body where mechanisms for consultation do not already exist;
- 6.7** the design and reviewing of programs to monitor environmental effects of petroleum activities on marine and coastal ecosystems, marine species, and activities conducted in the offshore area, as well as the analysis, interpretation, and scientific review of monitoring results; and

- 6.8 the sharing and dissemination of information, subject to legislative and regulatory requirements, relevant proprietary rights, and confidentiality obligations owed to any third party, including, but not limited to:
 - 6.8.1 marine and coastal ecosystems, marine species, marine resources, commercial, recreational, and Aboriginal fisheries, at-risk aquatic species and their Critical Habitat, and Marine Protected Areas;
 - 6.8.2 research and monitoring programs related to petroleum exploration and development activities in the offshore area; and
 - 6.8.3 planning and implementation of petroleum activities in the offshore area with respect to environmental contingency planning and environmental response, with consideration of each Party's commitment to Environment Canada's Environmental Emergencies Science Table.

7.0 IMPLEMENTATION & GOVERNANCE

- 7.1 **Executive Committee:** The Executive Committee is the principle body responsible for advancing the objectives of the MOU. The Committee consists of the Chief Executive Officer of the CNSOPB, Regional Director-General of the DFO Maritimes Region, and Regional Director-General of the DFO Gulf Region whom, collectively, oversee advancement of the MOU on behalf of both Parties. The Executive Committee approves annual work plans and progress reports developed under the MOU. The Executive Committee is to meet at least once a year. Annual work plans prepared under the MOU will identify priority issues and projects of mutual interest to be carried out cooperatively by the Parties throughout that year, and include expected outcomes and timelines.
- 7.2 **Implementation Committee:** The Implementation Committee is the principle body responsible for preparing and implementing work plans and preparing progress reports under the MOU on an annual basis. The Committee reports to the Executive Committee. It is to consist of senior management staff members from the CNSOPB and DFO, and is to meet at least once a year. The Implementation Committee will:
 - 7.2.1 establish working groups and/or sub-committees, as required, to address priority issues and projects identified under the MOU;
 - 7.2.2 consider and establish appropriate mechanisms for discussion, communication, information sharing, and joint planning between the Parties; and

7.2.3 identify priorities, prepare work plans and progress reports, and report to the Executive committee at mid-year and end-of-year.

7.3 Coordination Committee: The Coordination Committee is the principle body responsible for advancing work plan activities on a daily basis. The Committee supports and directly reports to the Implementation Committee. It is to consist of operational level staff members from the CNSOPB and DFO, and is to meet at least once a year.

7.4 Fishery Advisory Committee: Members of DFO will participate on the CNSOPB's Fishery Advisory Committee. The Fishery Advisory Committee ensures representatives of the CNSOPB, DFO, and other Stakeholder Groups are informed of petroleum activities in the offshore area, and allows representatives of the fishing industry to discuss concerns and to provide advice to the CNSOPB.

7.5 Other Advisory Committees: The CNSOPB may also be represented on DFO-led advisory committees for initiatives that are applicable to the CNSOPB's management authority in the offshore area.

8.0 ANNEXES

The MOU annual work plan and progress reports are to be attached to the MOU and form part of the MOU.

9.0 AMENDMENTS AND TERMINATION

9.1 Amendment: the MOU, including related work plans and progress reports, may be amended at any time upon agreement by both Parties.

9.2 Governance: the MOU will be adjusted, as appropriate, if organizational changes to either agency occur.

9.3 Termination: the MOU may be terminated by either Party with minimum 60 days written notice.

10.0 ENTIRE UNDERSTANDINGS

This MOU replaces the 2004 MOU between the Parties and supersedes all previous and subsequent discussions relating to the subject matter unless otherwise incorporated by reference in this MOU.

11.0 PERIOD OF OPERATION

11.1 Effective Date: This MOU will take effect on the date of the last signature by the Parties.

11.2 Duration: the MOU is intended to remain in effect for a period of ten years.

11.3 Renewal: the MOU is to be reviewed and may be renewed, upon agreement of both Parties, prior to its expiry.

APPROVAL:

Whereas the Parties have signed this MOU on the dates indicated below.

For:

Canada-Nova Scotia Offshore Petroleum Board:

Signed at _____ on the _____ day of _____, 20____

(Original signed by) Dated this 28th day of April, 2014 in Halifax

Mr. Stuart Pinks
Chief Executive Officer
Canada-Nova Scotia Offshore Petroleum Board

For:

Fisheries and Oceans Canada:

Signed at _____ on the _____ day of _____, 20____

(Original signed by) Dated this 10th day of April, 2014 in Ottawa

Mr. Matthew King
Deputy Minister
Fisheries and Oceans Canada