



*The Minister of the Environment endorsed the **Policy Framework for Environmental Performance Agreements** in June 2001.*

Environmental Performance Agreements

What is a performance agreement?

An environmental performance agreement is an agreement with core design criteria negotiated among parties to achieve specified environmental results.

Performance agreements are voluntary, non-statutory instruments that allow parties with common objectives to address a particular environmental issue.

Agreements have similar objectives as those of other risk management instruments such as regulations, codes of practice or pollution prevention planning notices under the *Canadian Environmental Protection Act, 1999*, and can be used as a complement to any of them.

The policy framework

The policy framework describes performance agreements, stipulates principles and core design criteria for agreements, sets out Environment Canada's role in support of the policy and identifies the circumstances

in which Environment Canada will consider entering into these agreements.

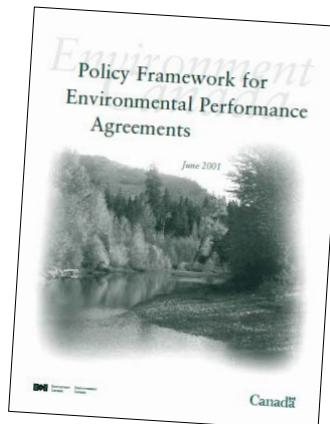
When may performance agreements be used?

Performance agreements may be used anywhere in the risk assessment–risk management continuum. Using a

performance agreement depends on factors such as the nature of the risk being managed and the performance history of companies being considered for such an agreement.

Generally, performance agreements may be used to:

- provide opportunities for industry to show leadership and take voluntary early action on environmental or health issues;
- strengthen industry capacity, promote information gathering, management systems, stewardship programs and innovation; or
- promote inter-jurisdictional cooperation (e.g. federal–provincial–industrial–non-governmental).



Who are performance agreements negotiated with?

A performance agreement may be negotiated with a single company, multiple companies, regional industry associations, a sector association or a number of sector associations. Other government agencies (federal, provincial, territorial or municipal) and third parties may also be parties to such agreements.

What is the process for developing a performance agreement?

Once the parties have negotiated and drafted an agreement, the **proposed agreement** is posted for a minimum 30-day public comment period on Environment Canada's website. After the comments are reviewed and the agreement text is finalized, the **final agreement** is signed by the parties and posted on Environment Canada's website. Status updates are then posted on the website as the agreement is implemented.

Principles

Environment Canada is guided by the following principles in negotiating performance agreements:

- **Effectiveness:** Agreements must achieve measurable environmental results;
- **Credibility:** The public must have confidence in the approach and in the parties' capacity to deliver on their commitments;
- **Transparency and accountability:** All parties must be publicly accountable for the commitments they make and for their performance against the commitments; and

- **Efficiency:** Agreements should be no more expensive to the parties than alternatives for equivalent environmental results.

Design criteria

Every agreement that is signed addresses each of the following criteria outlined in the policy framework:

- *Senior-level commitment from participants*
- *Clear environmental objectives and measurable results*
- *Clearly defined roles and responsibilities*
- *Consultation with affected and interested stakeholders*
- *Public reporting*
- *Verification of results*
- *Incentives and consequences*
- *Continual improvement*

Want to know more?

Visit Environment Canada's Environmental Performance Agreements website at www.ec.gc.ca/epa-epe.

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