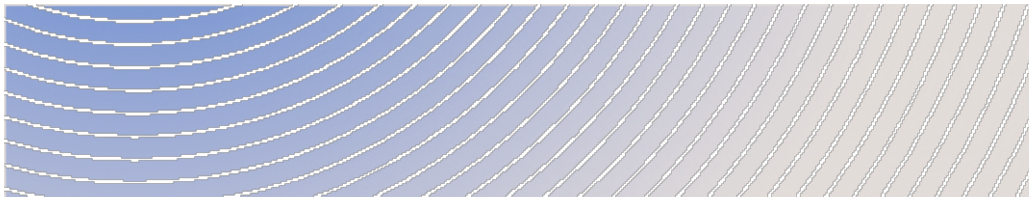


Compliance and Enforcement Policy



FOR DESIGNATED PROJECTS SUBJECT TO
THE *IMPACT ASSESSMENT ACT*

August 2025



Document information

Notice

This policy is not a substitute for the *Impact Assessment Act* (IAA) or its regulations. In the event of an inconsistency between this document and the IAA and its regulations, the IAA and its regulations would prevail.

Updates

This document may be reviewed and updated periodically. To ensure that you have the most up-to-date version, please consult the [Compliance Promotion and Enforcement](#) page of the Impact Assessment Agency of Canada's website.

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Introduction

IAAC undertakes compliance and enforcement activities to ensure that designated projects subject to the *Impact Assessment Act* (IAA) or the *Canadian Environmental Assessment Act, 2012* (CEAA 2012) conform with the appropriate legislation and any decision statements issued under them.

On August 28, 2019, the *Impact Assessment Act* (IAA) came into force, with subsequent amendments taking effect on June 20, 2024. The IAA created the Impact Assessment Agency of Canada (IAAC), and repealed the *Canadian Environmental Assessment Act, 2012* (CEAA 2012). However, pursuant to transition provisions under IAA, environmental assessments that commenced under CEAA 2012 and continue under that legislation, will continue to be subject to the prohibitions of CEAA 2012 until the Minister of Environment and Climate Change (the Minister) issues the Decision Statement. The prohibitions of CEAA 2012 that apply to projects with ongoing environmental assessments and any decision statements issued under CEAA 2012 are enforced using the provisions of the IAA.

Any new designated projects under the IAA must go through the impact assessment process and are subject to the enforcement program, policies and requirements of the IAA.

Proponents of designated projects must meet requirements set out in the IAA or, as appropriate, CEAA 2012, and any Decision Statement issued by the Minister. Compliance with CEAA 2012, the IAA, its regulations, and Decision Statements is mandatory.

Should you require further information on the administration or procedures established by this Act, please send an email to enforcement-applicationdelaloi@iaac-aeic.gc.ca.

Purpose

The purpose of this policy is to describe IAAC's approach to compliance and enforcement of the IAA and is intended to promote a consistent and transparent approach to these activities.

The terms "compliance" and "enforcement" are important for understanding the approach being taken by IAAC.

"Compliance" means the state of conformity with the IAA.

"Enforcement" means the actions that may be taken to verify compliance, or to compel or induce a proponent to comply with the legislative or regulatory requirements.

Principles guiding compliance and enforcement

The following general principles govern IAAC's application of the IAA with respect to compliance and enforcement. IAAC:

- fosters compliance by communicating the IAA requirements in a clear and transparent manner;
- fully appreciates the relationship that Indigenous peoples have with the land and strongly values Indigenous knowledge;
- welcomes the opportunity to learn from Indigenous peoples and recognizes the potential for this knowledge to be critical for compliance and enforcement;
- is transparent about compliance and enforcement activities and makes information related to these available to the public, as required in the IAA;
- applies the IAA in a manner that is fair, predictable and consistent;
- undertakes compliance and enforcement activities to prevent adverse effects;
- examines suspected contraventions of the IAA of which it has knowledge and takes appropriate action consistent with this Compliance and Enforcement Policy; and
- encourages the reporting of suspected contraventions via email to enforcement-applicationdelaloi@iaac-aeic.gc.ca.

The following are IAAC's expectations of proponents with respect to complying with the IAA. Proponents are expected to:

- comply with the obligations and the prohibitions of the IAA, including Decision Statement conditions;
- seek clarification when unsure about the IAA requirements;
- correct and report any non-compliance upon discovery;
- allow enforcement officers to enter a designated project or place where anything relating to a designated project is located, as set out in the IAA; and
- give all reasonable assistance to an enforcement officer or analyst to carry out the inspection and to exercise their powers or perform their duties and functions.

Reporting non-compliance

For any inquiries related to compliance and enforcement, or to report a suspected contravention of the IAA, please send an email to enforcement-applicationdelaloi@iaac-aeic.gc.ca.

Fundamentals of the IAA

If it is determined that the federal adverse effects of a designated project are not significant or, if they are likely to be to some extent significant, are in the public interest, the Minister issues a Decision Statement under the IAA.

As per the transition provisions under the IAA, a Decision Statement issued by the Minister under CEAA 2012 is deemed to be a Decision Statement issued under the IAA.

A Decision Statement issued in relation to a designated project that includes activities that are regulated under the *Canadian Energy Regulator Act*, *Nuclear Safety and Control Act*, *Canada Oil and Gas Operations Act*, *Canada–Newfoundland and Labrador Atlantic Accord Implementation Act* or *Canada–Nova Scotia Offshore Petroleum Resources Accord Implementation Act* may be considered to be a part of the certificate, order, permit, license, authorization issued, the leave or exemption granted or the direction or approval given under the applicable Act in relation to the designated project. When the conditions of a Decision Statement, or the Decision Statement itself, are adopted into a licence, certificate, order, authorization, leave, exemption, direction or approval, the administration and enforcement provisions of the IAA no longer apply. The compliance verification and enforcement of any conditions that are identified in a Decision Statement as being part of a licence or certificate issued by a lifecycle regulator will be undertaken by the lifecycle regulator.

How IAAC promotes compliance with the IAA

Compliance promotion is part of IAAC's daily business. This includes sharing information about the IAA in meetings with proponents, other governmental departments, Indigenous groups, industry, and others.

IAAC also raises awareness of the IAA requirements by offering education and training opportunities, doing outreach, and providing information. The goal of these activities is to promote compliance, to deter future non-compliance and increase awareness of the IAA requirements. This may include:

- holding information sessions on the IAA, its provisions and regulations;
- issuing publications, including technical guides for proponents and impact assessment practitioners to assist in conducting impact assessments that meet the IAA requirements;
- participating in seminars and conferences to provide information on the IAA;
- communicating with proponents throughout the impact assessment process and post-decision to provide information that will support their compliance with the IAA; and
- providing proponents with an opportunity to provide comments on potential conditions to be recommended to the Minister for incorporation in a Decision Statement.

- While IAAC engages with proponents of designated projects subject to the IAA, the responsibility for compliance rests with proponents.

How IAAC verifies compliance

The President of IAAC, or an authority delegated by the President, has the power to designate persons or a class of persons under the IAA to carry out compliance and enforcement activities under the IAA. Those designated persons are referred to as **enforcement officers** and **analysts**.

Inspections are used by IAAC to verify compliance and/or prevent non-compliance. An inspection can be on-site or off-site. Enforcement officers carry out inspections:

- in accordance with IAAC's annual inspection plan;
- as required when information is submitted to IAAC by proponents in accordance with conditions in a Decision Statement;
- on the basis of information received from the public, Indigenous groups, federal entities and/or provincial entities about a designated project; or
- on the basis of their own information-gathering.

On-site inspections are conducted at the place where the designated project is being carried out, or where a record or anything relating to the designated project is located, such as the office or other premises of the proponent or of a third party. These on-site inspections can be announced or unannounced.

Off-site inspections are conducted from the office of an enforcement officer and include, but are not limited to, reviewing reports, implementation schedules and plans submitted by a proponent. In certain circumstances, IAAC may coordinate inspections with other government authorities (e.g., federal, provincial or territorial authorities).

Responsibilities of enforcement officers

Enforcement officers are responsible for enforcing the IAA requirements. Enforcement officers' responsibilities include:

- carrying out inspections in relation to designated projects to verify compliance with the IAA, accompanying regulations and decision statements;
- taking measures during an inspection to verify compliance or prevent non-compliance, such as directing or prohibiting actions;
- issuing notices of non-compliance to proponents;

- issuing orders requiring proponents to take corrective measures where there is an alleged contravention of the IAA;
- investigating suspected contraventions; and
- undertaking measures to compel compliance through court action, such as injunctions and prosecution.

Powers of enforcement officers

In the course of an on-site inspection, an enforcement officer may use their inspection powers pursuant to the IAA to:

- examine anything in the place;
- use any means of communication in the place or cause it to be used;
- use any computer system in the place, or cause it to be used, to examine data contained in or available to it;
- prepare a document, or cause one to be prepared, based on the data;
- use any copying equipment in the place or cause it to be used;
- remove anything from the place for examination or copying;
- take photographs and make recordings or sketches;
- direct the owner or person in charge of the place or a person at the place to establish their identity to the enforcement officer's satisfaction or to stop or start an activity;
- direct the owner or a person having possession, care or control of anything in the place not to move it, or to restrict its movement, for as long as, in the enforcement officer's opinion, is necessary;
- direct any person to put any machinery, vehicle or equipment in the place into operation or to cease operating it; and
- prohibit or limit access to all or part of the place.

An enforcement officer may be accompanied by any other person that they believe is necessary to help them exercise their powers and perform their duties and functions.

Enforcement officers may also, for the purpose of verifying compliance or preventing non-compliance with the IAA, including an injunction, require any person to produce at a place specified by the enforcement officer, within any reasonable time and in the manner specified, any books, records, electronic data or other documents that the enforcement officer believes on reasonable grounds contains any information relevant to the administration of the IAA.

Every person or entity in a place that is being inspected by an enforcement officer or analyst must give all reasonable assistance to an enforcement officer or analyst to carry out the inspection and to exercise their powers or perform their duties and functions. No person, including the proponent, may obstruct or hinder

an enforcement officer or analyst from exercising their powers or performing their duties and functions under the IAA.

Any person subject to an order issued under the IAA must comply with the order. For example, this allows an enforcement officer to take any measure that is necessary to comply with this Act or to mitigate the effects of non-compliance.

No person or entity may make a false or misleading statement or provide false or misleading information in connection with any matter under the IAA to any person who is exercising their powers or performing their duties and functions under the IAA.

An enforcement officer may conduct an investigation. An investigation occurs where an enforcement officer finds an alleged contravention and gathers evidence to confirm if a contravention has occurred, with a view to possible prosecution.

Responsibilities of analysts

Analysts are responsible for supporting the enforcement officer in carrying out inspections under the IAA. In the course of an on-site inspection, an analyst who is accompanied by an enforcement officer may use the following powers to:

- examine anything in the place;
- use any means of communication in the place or cause it to be used;
- use any computer system in the place, or cause it to be used, to examine data contained in or available to it;
- prepare a document, or cause one to be prepared, based on the data;
- use any copying equipment in the place or cause it to be used;
- remove anything from the place for examination or copying; and
- take photographs and make recordings or sketches.

How enforcement officers respond to alleged contraventions

When enforcement officers have reasonable grounds to believe that a non-compliance has occurred, various enforcement actions are available to them to restore compliance. In determining the enforcement action, enforcement officers will consider the following:

- **Nature of the alleged contravention**—this includes consideration of the seriousness of the harm or potential harm, the intent of the alleged offender, whether this is a repeated occurrence and if there are attempts to conceal information or otherwise subvert the objectives and requirements of the IAA.
- **Effectiveness in achieving the desired result with the alleged offender**—the desired result is compliance with the IAA within the shortest time possible and with no further contravention. Factors considered include:
 - the alleged offender's history of compliance with the IAA and CEAA 2012;
 - the alleged offender's willingness to cooperate with the enforcement officers and analysts;
 - evidence of corrective action already taken by the alleged offender; and
 - the existence of enforcement actions under other statutes by other federal authorities or by provincial, territorial or Indigenous governments as a result of the same activity.
- **Consistency in enforcement**— enforcement officers aim to be consistent in their responses to alleged violations.

While each situation of alleged contravention of the IAA is different, the key factor in determining an enforcement action is its effectiveness in achieving compliance as quickly as possible and preventing any further contravention.

Enforcement actions

When enforcement officers have reasonable grounds to believe that a contravention has occurred, various enforcement actions are available. These enforcement actions are described below.

Notice of Non-compliance

A notice of non-compliance is a type of enforcement action used when an enforcement officer believes, on reasonable grounds, that a person or entity has contravened the IAA.

The notice of non-compliance cannot compel a return to compliance as it does not contain measures directing an alleged offender or violator to return to compliance. It is intended to encourage an alleged offender or violator to bring themselves into compliance and to deter that person from future contraventions.

The notice of non-compliance must be made in writing and must set out the name of the person or entity to whom it is directed. It states the provision(s) of the IAA for which there is an alleged contravention and includes the relevant facts surrounding the alleged contravention. The notice of non-compliance contains a statement that a person or entity may provide comments in response to the notice and the time within which they may do so following the issuance of the notice of non-compliance.

After consideration of any comments received, the enforcement officer may confirm, amend or revoke the notice of non-compliance. The enforcement officer's decision will be provided in writing to the person or entity subject to the notice of non-compliance.

Orders

Orders are used by enforcement officers when they believe, on reasonable grounds, that there is or is likely to be a contravention of the IAA. An order may, among other things order a person or entity to:

- stop doing something that is or is likely to be in contravention of the IAA or cause it to be stopped; or
- take any measure that is necessary in order to comply with the IAA, or to mitigate the effects of non-compliance.

The order must be made in writing and must set out the name of the person or entity to whom it is directed. It states the provision(s) of the IAA for which there is an alleged contravention and includes the relevant facts surrounding the alleged contravention. In addition, it includes the measures to be taken, the period during which they are to be carried out, and the duration of the order.

The order also contains a statement that a person or entity may provide comments to the enforcement officer in response to the order. It also contains a statement that a request for a review may be made to the President of IAAC and the time period for doing so.

The enforcement officer may, after giving reasonable notice to all persons or entities named in the order, and so long as the President of IAAC has not received a notice requesting a review of the order, amend or suspend a condition of the order, add a condition to it or delete a condition from it. The enforcement officer may also cancel the order, correct a clerical error in the order or extend the order's duration.

In exigent circumstances, where an enforcement officer determines it necessary, the enforcement officer may give a verbal order on the condition that it is followed by the issuance of a written order, within seven days. For greater certainty, exigent circumstances include situations in which the delay necessary to issue a written order, that meets the requirements of the IAA, would likely result in a danger to the environment, human life or health or public safety.

Recovery of costs

If a person or entity subject to an order issued by an enforcement officer does not comply with the order within the time specified, the enforcement officer may carry out the measures required. The actions taken by the enforcement officer may be at the expense of that person or entity.

Review of Orders

Request for a Review

Any person or entity to whom an order is given under the IAA may, by notice in writing given to the President of IAAC within 30 days after the day on which the person or entity receives a copy of the order, make a request to the President for a review of the order.

Upon the receipt of a request for a review, the President of IAAC must designate an individual as a review officer to review the order.

Extension of Period for Request for a Review

The President of IAAC may extend the period within which a request for a review may be made if, in the President's opinion, it is in the public interest to do so.

Suspension of Order

The request for a review of an order does not suspend the operation of an order.

A review officer may, on application made by a person or entity to whom an order is given, suspend the operation of the order if the review officer considers it appropriate. In that case, they may impose on all persons or entities subject to the order conditions that are reasonable in the circumstances and consistent with the protection of the environment, human life or health or public safety. Should the review officer suspend the order, the period for which the order is issued is suspended until the review is completed.

Collection of Evidence by the Review Officer

A review officer may order any person to give evidence in writing or produce any documents and things relevant for the purpose of performing any of their functions.

Any order for evidence made by the review officer may be made an order of the Federal Court or of the superior court of a province and is enforceable in the same manner as an order of that court. An order made per the review officer may be made an order of the Federal Court or of the superior court of a province by following the usual practice and procedure of the court in such matters, or by filing a certified copy of the order with the registrar of the court.

Decision of the Review Officer

A review officer, after considering the order under review and giving all persons or entities who are subject to it a reasonable opportunity to make representations, may:

- confirm or cancel the order;
- amend or suspend a condition of the order, add a condition to it or delete a condition from it; or
- extend the order's duration.

A review officer must render a written decision with reasons and provide all persons or entities to whom the order was given and the President of IAAC with a copy of the decision and the reasons. Any person or entity that is subject to an order confirmed or varied must comply with the order.

Appeal to Federal Court

An order by a review officer may be appealed to the Federal Court within 30 days after the day on which the written reasons are provided further to the review officer's decision. The filing of a notice of appeal does not suspend the operation of an order, as confirmed or varied by a review officer.

Injunctions

Injunctions are court orders. Under the IAA, injunctions impose an obligation on a person or an entity that has done, is about to do, or is likely to do anything that is considered an offence under the IAA. An injunction can stop an action or order one to take place. The person or entity subject to the injunction may be ordered by the court to:

- refrain from doing an act that, in the court's opinion, may constitute or be directed toward the commission of the offence; or
- do an act that, in the opinion of the court, may prevent the commission of the offence.

An enforcement officer does not have direct access to the injunction power under the IAA. IAAC will recommend usage of the injunction power to the Minister. The Minister is obliged to give 48 hours' notice of his or her application for an injunction to any party or parties that will be subject to the injunction. The notice allows the court to set aside the requirement for 48 hours' notice, if the delay to give notice would not be in the public interest.

The court of competent jurisdiction will name an enforcement officer in the injunction as having authority to inspect the person and/or the entity identified in that injunction to verify their compliance with the injunction.

If the person or entity named in the injunction does not comply, the Minister may return to court to seek:

- a contempt of court ruling;
- a penalty, such as a fine or imprisonment, that the court may see fit to impose in its contempt of court ruling; or
- instruction by the court for the concerned person or entity to comply with the injunction within the time stated in the injunction or, if the original time period is expired, within a time limit set by the court in its instruction.

Prosecution

Prosecution is one of the many tools available to enforcement officers to enforce the IAA and its regulations. Enforcement officers rely on Crown prosecutors of the Public Prosecution Service of Canada to prosecute alleged offences.

Enforcement officers may lay a charge for an alleged violation of the IAA, except where, in accordance with this policy, they determine that another enforcement action is sufficient and appropriate.

Prosecutions may be pursued when, for example:

- the alleged offence has resulted in adverse effects within federal jurisdiction caused by or in connection with the carrying out of designated projects in whole or in part, as described under the IAA;
- repetitive non-compliance with apparent disregard for other inspections and notices of non-compliance;
- there is serious harm or risk to the environment, human life or health;
- an enforcement officer or analyst has been obstructed or hindered from exercising their powers or performing their duties and functions under the IAA;
- an alleged person or entity that makes a false or misleading statement or provide false or misleading information to any person who is exercising their powers or performing their duties or functions under the IAA; and
- an alleged offender fails to comply with an order.

After the enforcement officers have investigated an alleged offence and decided to recommend prosecution, they will:

- prepare a report to Crown Counsel and recommend charges; and
- submit the evidence and information they gathered during the course of the investigation.

The enforcement officer provides support to a Crown prosecutor in the form of information, affidavits and/or additional testimony when the prosecutor seeks a court order. If a prosecution is successful, the Crown prosecutor may seek a court order to punish or deter the alleged offender from future non-compliance. A court order may be sought to accomplish various ends such as compelling the convicted offender to adjust their practices in relation to the designated project to avoid or reduce adverse effects in the future or requiring that person to provide funds for research. The Crown prosecutor can have an enforcement officer named in the court order, so that the officer can inspect to verify the convicted offender's compliance with the order, using powers under the IAA.

As an alternative to prosecution, a Crown prosecutor may negotiate and put in place an alternative measures agreement with the alleged offender. The offender must meet eligibility requirements that are found in section 717 of the Criminal Code of Canada. Factors and circumstances that can influence a Crown prosecutor's decision of whether to use alternative measures are contained in Part 3.8 of the Public

Prosecution Service of Canada Deskbook. Compliance with an alternative measures agreement brings an alleged offender into compliance and avoids the formal court prosecution process.

Penalties upon conviction

If prosecution of an alleged offence of the IAA leads to an accused person or entity pleading guilty or being found guilty at the conclusion of their court proceedings, fines are the only penalty provided in the IAA.

The fines under the IAA are as follows:

- **Individuals:** Are liable on summary conviction; for a first offence, to a fine of not less than \$5,000 and not more than \$300,000; for a second or subsequent offence, to a fine of not less than \$10,000 and not more than \$600,000.
- **Small revenue corporations or entities:** Are liable on summary conviction; for a first offence, to a fine of not less than \$25,000 and not more than \$2,000,000; for a second or subsequent offence, to a fine of not less than \$50,000 and not more than \$4,000,000.
- **Other corporations or entities:** Are liable on summary conviction; for a first offence, to a fine of not less than \$100,000 and not more than \$4,000,000; for a second or subsequent offence, to a fine of not less than \$200,000 and not more than \$8,000,000.

Continuing offences

If an offence is committed or continued on more than one day, it constitutes a separate offence for each day on which it is committed or continued.

Notice to shareholders

If a corporation, that has shareholders, is convicted of an offence under the IAA, the court must make an order directing the corporation to notify its shareholders, in the manner and within the time directed by the court, of the facts relating to the commission of the offence and of the details of the punishment imposed.

What enforcement information IAAC discloses to the public

IAAC makes public the following information on its website in order to promote public awareness, transparency and accountability while respecting the principles and requirements of the *Access to Information Act* and *Privacy Act*:

- annual summary of numbers of on-site and off-site inspections conducted by enforcement officers during a given fiscal year;

- summary of on-site inspection reports prepared by enforcement officers;
- information submitted to IAAC by a proponent to comply with a condition in a decision statements (e.g. implementation schedules, annual reports and plans);
- notices of non-compliance issued by enforcement officers;
- a written order issued by an enforcement officer or revised by a review officer;
- as appropriate, applications by the Minister for injunctions and the result of those requests;
- as appropriate, charges laid in a prosecution and the result, including in the case of a guilty plea or a conviction, the amount of any fine and the subject matter of any court order imposed on the convicted offender; and
- any other documents that, in the view of IAAC, would be in the public interest to disclose through the Canadian Impact Assessment Registry.

IAAC includes the name of the proponent and designated project in the information posted on IAAC's website. Information regarding enforcement actions is also made publicly available on the [Enforcement Actions](#) page, once the file has been closed.

Confidentiality

Request for confidentiality

When you provide IAAC with a tip about a suspected offence or with any other information related to the enforcement of the IAA, you may request that your identity, and any information that may reveal your identity, not be disclosed. In addition, if you have requested confidentiality, an enforcement officer and IAAC, must exercise all due diligence to not disclose your identity.

Employee protection

Employees who report a suspected contravention are protected under the IAA. Despite any other Act of Parliament, an employer must not dismiss, suspend, demote, discipline, harass or otherwise disadvantage an employee, or deny an employee a benefit of employment, with the intent to retaliate against the employee because the employee (a) made a report; (b) acting in good faith and on the basis of reasonable belief, refused or stated an intention of refusing to do anything that is an offence under this Act; or (c) acting in good faith and on the basis of reasonable belief, done or stated an intention of doing anything that is required to be done by or under the IAA.