



Assessing the Effectiveness of Impact and Benefit Agreements in the Canadian North

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The emergence of IBAs between Miners and Aboriginals

- The past decade has seen a marked growth in the use of IBAs in Canada- see:
www.impactandbenefit.com/IBA_Database_List.html
- While their content can vary (see O'Faircheallaigh and Corbett, 2005), usually...

Content (for the benefit of the Aboriginal Signatories)

- royalty/equity provisions
- employment provisions
- economic development provisions
- environmental provisions beyond EA requirements
- societal/cultural provisions beyond EA requirements

In exchange for...

in consideration for [the company] entering into this agreement, the [group in question] will not object to the issuance of any licenses, permits, authorisations or approvals to construct or operate the project required by any regulatory body having jurisdiction over the project

Why IBAs are potentially revolutionary

1. create and contractually cement relationships between proponents and opponents of resource developments in a way that conventional processes like EA have never been able to; and
2. largely established without the involvement of the state, the traditional sovereign authority in all matters of natural resource allocation and development

The possibility of governance...

Governance: more than government

- *The method or means of realizing shared values, interests, and goals; may or may not be achieved through formal institutions or political authority (Bernstein, 2004, p.5)*
- *The essence of governance is its focus on governing mechanisms which do not rest on recourse to the authority and sanctions of government (Stoker, 1998, p.17)*
- *The willingness, ability, and actions of a society to direct itself towards better ends*

CEI CORPORATE ENVIRONMENTAL INNOVATION

IEE INNOVATION ENVIRONNEMENTALE EN ENTREPRISES



EPA United States Environmental Protection Agency Office of Policy, Economics, and Innovation (1801) EPA100-K-00-001 September 2000

PROJECT XL

Encouraging Innovation, Delivering Results

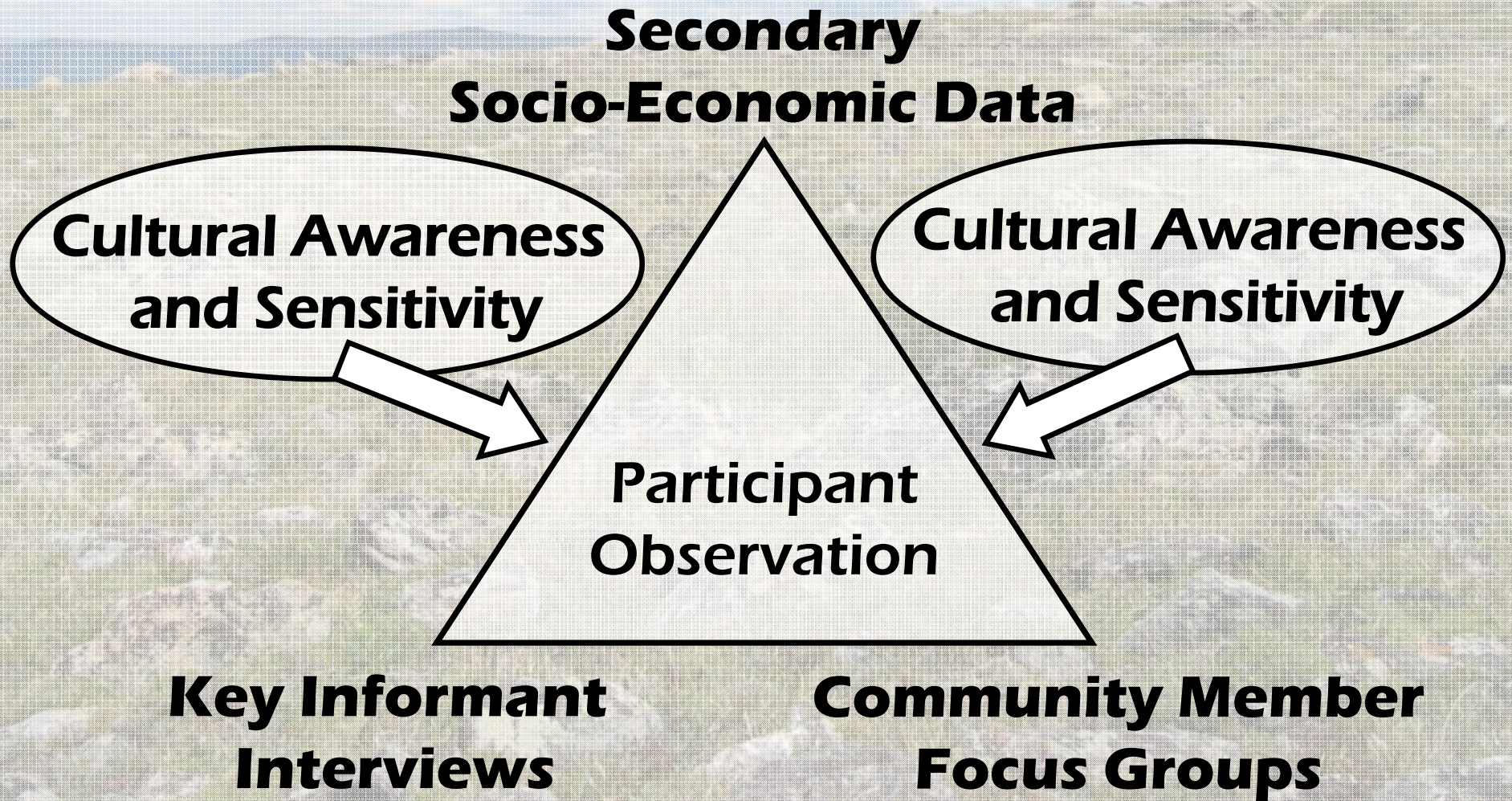
Dow Jones Sustainability Indexes

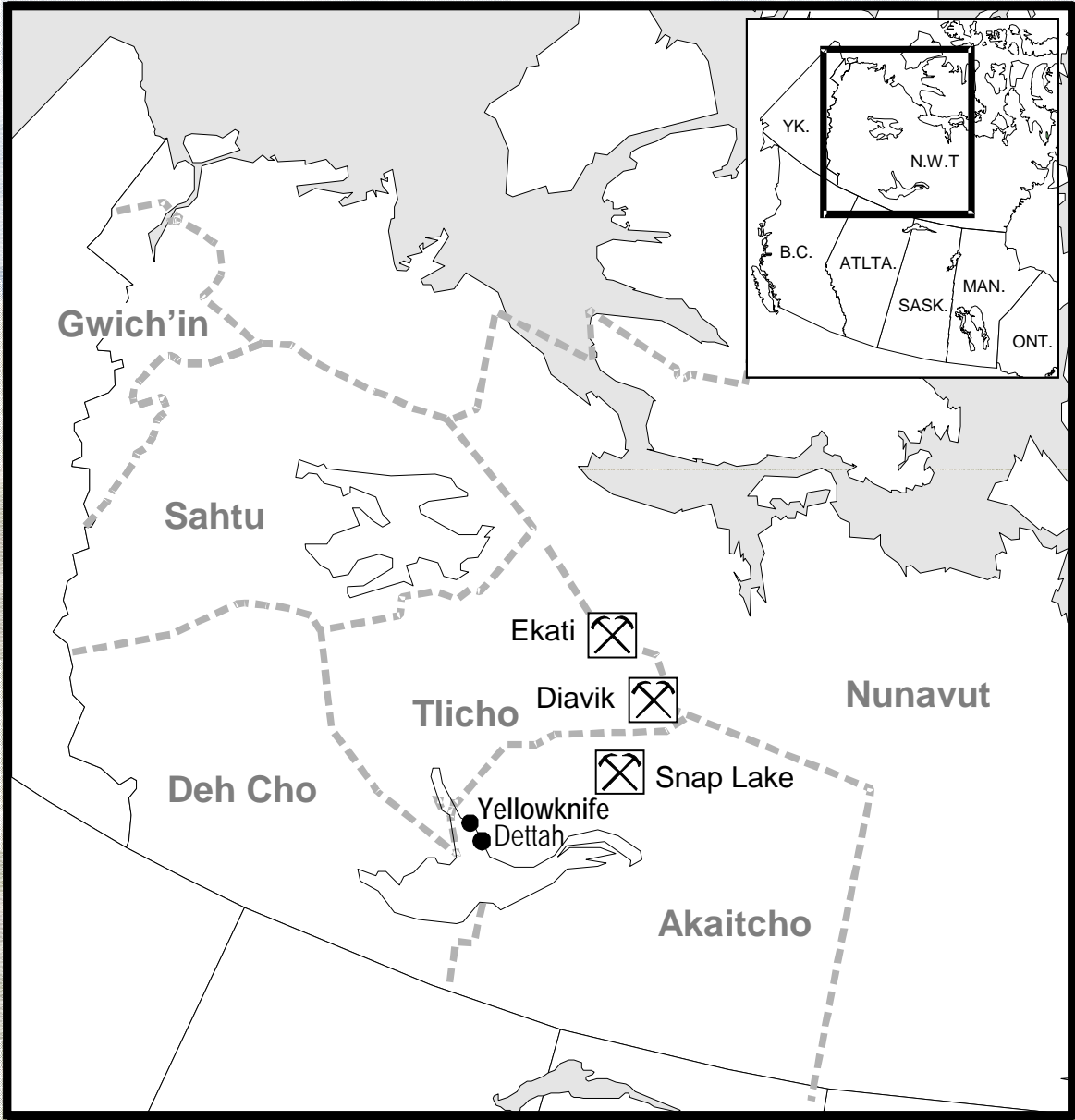


As with all these novel mechanisms, we must determine if they are working

- are they meeting their objectives?
- IBAs reflect gaps in EA design and practice; hence, their objectives are:
 - to build positive relationships and trust;
 - to secure local benefits;
 - to relieve capacity strains; and
 - to ensure adequate follow-up(Galbraith and Bradshaw, 2005; Galbraith et al. 2007).

Multi-Method Approach





Results:

Confirmation of IBA Objectives

- **Key informants largely confirmed Galbraith and Bradshaw's (2005) IBA objectives:**
 - Build positive relationships and trust
 - Secure local benefits
 - Relieve capacity strains
 - Ensure adequate follow-up
- **Additional IBA objectives were identified:**
 - IBAs are *primarily* a tool to recognize the assertion of Aboriginal rights and title

Results:

Evaluation of IBA Effectiveness

- **Secondary socio-economic data**

Average Income
Taxfilers with more than \$50,000 income (%)
Unemployment rate
Population with high school or greater (%)
Number of registered businesses

Results:

Evaluation of IBA Effectiveness

- **Secondary socio-economic data**

Average annual change in...	Impacted Aboriginal Communities
Average Income	
Taxfilers with more than \$50,000 income (%)	
Unemployment rate	
Population with high school or greater (%)	
Number of registered businesses	
AVERAGE	

Results:

Evaluation of IBA Effectiveness

- **Secondary socio-economic data**

Average annual change in...	Impacted Aboriginal Communities
Average Income	6.87%
Taxfilers with more than \$50,000 income (%)	1.48%
Unemployment rate	-1.01%
Population with high school or greater (%)	0.46%
Number of registered businesses	2.65%
AVERAGE	2.49%

Results:

Evaluation of IBA Effectiveness

- **Secondary socio-economic data**

Average annual change in...	Impacted Aboriginal Communities	Northwest Territories
Average Income	6.87%	
Taxfilers with more than \$50,000 income (%)	1.48%	
Unemployment rate	-1.01%	
Population with high school or greater (%)	0.46%	
Number of registered businesses	2.65%	
AVERAGE	2.49%	

Results:





Evaluation of IBA Effectiveness

- **Secondary socio-economic data**

Average annual change in...	Impacted Aboriginal Communities	Northwest Territories
Average Income	6.87%	2.54%
Taxfilers with more than \$50,000 income (%)	1.48%	1.02%
Unemployment rate	-1.01%	-0.18%
Population with high school or greater (%)	0.46%	0.48%
Number of registered businesses	2.65%	1.84%
AVERAGE	2.49%	1.21%

Results:

Evaluation of IBA Effectiveness

- **Key informant interviews**
 - Build positive relationships and trust 
 - Secure local benefits 
 - Relieve capacity strains 
 - Ensure adequate follow-up 



Results:

Evaluation of IBA Effectiveness

- **Community member focus groups**
 - Build positive relationships and trust  
 - Secure local benefits 
 - Relieve capacity strains 
 - Ensure adequate follow-up 



Dettah, N.W.T.



IBA Recommendations



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- **Clarify the role of IBAs as they pertain to EIA**

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- **Federal government should clarify role in IBAs**
- **Avoid confidentiality clauses**
- **Avoid vague language and wording**
- **Allow for renegotiation of agreements**
- **Increase benefits and distribute more widely amongst a community**
- **Clarify the role of IBAs as they pertain to EIA**
- **Increase 'impact' mitigation measures**

Summarized Findings:

- IBAs generally found to be meeting their objectives
- New IBA objectives identified – appear fulfilled
- Perceptions of effectiveness varied by community
- Some deficiencies apparent



Thank You
Questions?

