



Memorandum Of Understanding



Fisheries and Oceans
Canada

Pêches et Océans
Canada

Between:

The Canada - Nova Scotia Offshore Petroleum Board
and
The Department of Fisheries and Oceans

1.0 Preamble

This Memorandum of Understanding (MOU) is entered into pursuant to section 46 of the *Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation Act*, and section 50 of the *Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation (Nova Scotia) Act*, and paragraph 33 (1) (b) of the *Oceans Act*. Its purpose is to ensure effective coordination of planning, work and activities by the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) and the Department of Fisheries and Oceans (DFO) in relation to petroleum activities in the Nova Scotia Offshore Area.

The CNSOPB was created by provincial and federal legislation to regulate petroleum activities in the Nova Scotia Offshore Area. The CNSOPB's mandate includes safety, environmental protection, petroleum resource conservation, Canada-Nova Scotia benefits, rights management and data curation. In addition, the legislation requires the CNSOPB to conclude memoranda of understanding with other government departments and agencies to ensure effective co-ordination and avoid duplication.

The CNSOPB is also required to conduct environmental assessment under the *Canadian Environmental Assessment Act*. The CNSOPB is determined, by the Act, to be a responsible authority for exploration, development abandonment and pipeline projects offshore Nova Scotia.

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

Under the *Canada Shipping Act*, DFO is responsible for the protection and management of marine navigation and pollution response. Also under the *Oceans Act*, DFO, through the Canadian Coast Guard, is to provide safe and efficient transport through the Nova Scotia Offshore Area; marine navigation and communication; marine search and rescue; and marine pollution response.

Under the *Fisheries Act* DFO is responsible for conservation and protection of fisheries resources and habitats. This includes the management of marine fish stocks, establishment of conservation measures and the protection of fish habitat.

DFO is responsible under the *Oceans Act* to lead and facilitate the development of an Oceans Management Strategy which includes the development and implementation of integrated management plans for all activities or measures, in or affecting coastal and marine waters. As provided in subsection 40(1) of the *Oceans Act*, the powers of the Minister of DFO are also extended to all matters respecting Canada's oceans over which Parliament has jurisdiction and not assigned by law to any other department, board or agency of the Government of Canada.

DFO is also required to conduct environmental assessment under the *Canadian Environmental Assessment Act* when DFO is determined, by the Act, to be a responsible authority. Projects that impact fish habitat or navigable waters may be required to undergo an environmental assessment.

On the coming into force of the Species at Risk Act (SARA), the Federal Department of Fisheries and Oceans will be responsible for the implementation of the Act in respect to marine and aquatic species identified as being species at risk.

2.0 Purpose

In relation to matters within the Nova Scotia Offshore Area that are under the jurisdiction of the CNSOPB and DFO, the intent of this MOU is to facilitate and promote the sound integrated management of activities and measures related to the exploration, development, production and abandonment of offshore petroleum resources; to ensure the conservation and protection of commercial and non-commercial fish species and their habitat; biodiversity; the marine environment in general; and to ensure safe navigation.

3.0 Objectives

The MOU provides a mechanism for CNSOPB and DFO to work cooperatively to meet their shared objectives;

Specifically:

- a) To efficiently and effectively use available resources to address marine environmental protection and conservation issues;
- b) To foster sustainable use of renewable and non-renewable ocean resources;
- c) To identify priorities and/or emerging issues which may affect the regulation of offshore petroleum resources and address gaps in policy, regulatory regimes and science and technology programs to ensure that the highest standards of environmental protection and conservation are applied;
- d) To enable the best use of knowledge and of jurisdictional authorities to ensure that offshore petroleum activities are conducted in accordance with legislative and regulatory regimes;
- e) To foster effective emergency planning and response, and optimal safety and offshore search and rescue capabilities; and

- f) To encourage the timely sharing of information and transfer of knowledge between government agencies and boards, industry, academia, other organizations and the public so as to ensure adequate protection of the environment relating to petroleum activities.

4.0 Principles of Cooperation

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

- 4.1 Sustainable Development: Both Parties promote the understanding of oceans, ocean processes, marine resources and marine ecosystems in order to foster the sustainable development of the oceans and their resources. As described in the *Oceans Act*, development shall be such that it meets the needs of the present without compromising the ability of future generations to meet their own needs.
- 4.2 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.
- 4.3 Integrated Management: Both Parties recognize that the Nova Scotia offshore area is a shared resource providing benefits to many interests and that management decision-making affecting the use of this ocean space can only be effective if all interests are considered, represented and involved.
- 4.4 Precautionary Approach: Both Parties promote the 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, lack of full scientific certainty will not be used as a reason for postponing measures to prevent environmental degradation.
- 4.5 Economic Diversity: 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 coastal communities.
- 4.6 Pollution Prevention: The environmental and economic benefits of processes, practices and materials that avoid or minimize the creation of pollutants and wastes will be recognized and practiced.

5.0 Areas for Cooperation

CNSOPB and DFO will cooperate in:

- a) establishing priorities for areas of collaborative work;
- b) reviewing and assessing proposed exploratory licences and offshore activities and projects in accordance with applicable legislation and/or policies;
- c) reviewing and recommending regulations, guidelines and environmental management practices including, but not limited to, wastewater management and other discharges;
- d) collaborating for the development of integrated management plans for marine and coastal waters and related management activities and associated management actions, including the identification of candidate marine protected areas;
- e) identifying research priorities and developing study proposals and terms of reference under the Environmental Studies Research Funds (ESRF), the Panel on Energy Research and Development (PERD), the Centre for Offshore Oil and Gas Environmental Research (COOGER), or any other mechanism;
- f) designing and reviewing programs to monitor environmental effects of offshore petroleum activities on marine and coastal ecosystems and in interpreting monitoring results;
- g) sharing data and information (subject to any relevant legislation) on the oceans and marine resources, including ecologically sensitive areas, physical processes, and fisheries, as well as the results of research and monitoring programs related to subsurface resources and petroleum exploration activity, including but not limited to seismic and multibeam data;
- h) sharing data and information (subject to any relevant legislation) related to planning and implementation of petroleum activities in relation to marine environmental protection, navigational notification procedures, contingency planning, and risk assessment;
- i) planning necessary search and rescue activities, emergency response activities, and notification procedures;
- j) improving the safe transportation in the marine environment to minimize injury, loss of life and damage to property and the marine environment;
- k) providing information on Canada's oceans and on offshore petroleum activities to other organizations and the public; and
- l) protection of Species at Risk, including participation in recovery efforts.

In addition, DFO will participate in CNSOPB's Fisheries Advisory Committee. The CNSOPB will be represented on stakeholder groups established by DFO for initiatives under the Oceans Management Strategy of the *Oceans Act* for Nova Scotia Offshore areas that deal with activities affecting, or affected by, petroleum exploration, development or production.

6.0 MOU implementation

- 6.1 Executive Committee: consists of the Chief Executive Officer of CNSOPB, and the Regional Directors General, Maritimes and Gulf Regions, of DFO. They will be responsible for achieving the objectives of the MOU. The Executive Committee will approve an annual work plan, and will meet at least once a year. The annual work plan will identify the priority issues and projects to be carried out cooperatively, expected outcomes and timelines.
- 6.2 Implementation Committee: this committee will be co-chaired by representatives of DFO and CNSOPB appointed by the Executive Committee and consisting of representatives from CNSOPB and DFO staff, responsible for preparing and implementing the work plan and will report to the Executive Committee.

The Implementation Committee will:

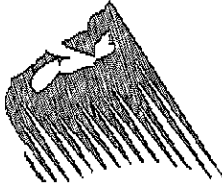
- a) establish working groups and/or sub-committees as required to implement activity pursuant to the MOU;
- b) meet at least annually;
- c) consider and establish appropriate mechanisms for discussion, communication, information sharing and joint planning between the CNSOPB and DFO;
- d) prepare an annual work plan outlining priorities for action for the coming year; and
- e) prepare an annual progress report.

7.0 General Conditions

- 7.1 Duration: This Memorandum will be in effect from the date on which it has been signed by both parties for a period of ten years, at which time it will be reviewed and may be renewed prior to the expiry date if appropriate.
- 7.2 Termination: Either party may terminate the MOU with a minimum of 60 days written notice.
- 7.3 Annexes: The Work Plan attached hereto, as amended annually, forms part of this MOU.
- 7.4 Amendment: The MOU, including the Work Plan, may be amended at any time, in writing, on the agreement of both parties.
- 7.5 Governance: If organizational changes to either party occur, initiatives pursuant to this MOU will be adjusted as appropriate.
- 7.6 Nothing in this MOU shall be construed as creating any duty, granting any power, requiring the allocation of resources, or preventing either party from exercising their legislative mandate and regulatory authorities.

7.7 It is understood that:

- a) CNSOPB is the lead agency, coordinating all initiatives and regulatory matters pertaining to petroleum activities in the Nova Scotia Offshore Area including exploration, development and production.
- b) DFO is the lead for all matters pertaining to the *Fisheries Act*, *Oceans Act*, *Species at Risk Act* and that part of the *Canada Shipping Act* that is the responsibility of the Minister of Fisheries and Oceans, and for any other legislation and or regulation which may be enacted under DFO's mandate. DFO is the lead for all matters related to Oceans not by law assigned elsewhere, as stated in subsection 40 (1) of the *Oceans Act*.



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Fisheries and Oceans Canada / Pêches et Océans Canada

Between:

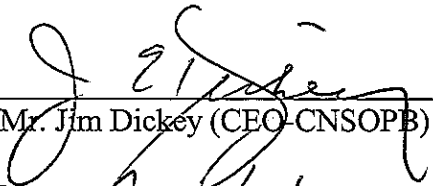
The Canada - Nova Scotia Offshore Petroleum Board
and
The Department of Fisheries and Oceans

Approvals:

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

For:

Canada-Nova Scotia Offshore Petroleum Board

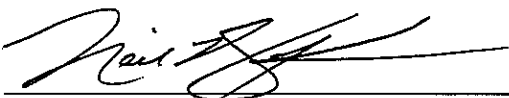


Mr. Jim Dickey (CEO - CNSOPB)
Date: Apr 7/04


LEGAL	SiU
ADMIN	DD
ENV	DD
HS & O	SS
R & R	DD
CEO	

For:

Department of Fisheries and Oceans



Mr. Neil A. Bellefontaine (RDG-Maritimes Region - DFO)
Date: 7/4/04



Mr. Jim B. Jones (RDG-Gulf Region - DFO)
Date: Apr 7/04