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CEPA CAPACITY FRAMEWORK

PRINCIPLES & OBJECTIVES



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Executive Summary

The Canadian Energy Pipeline Association (CEPA) is committed to developing a framework for building capacity in Aboriginal communities. CEPA recognizes that capacity building is an on going process that is necessary for the following reasons:

- Aboriginal communities may require resources to participate effectively in consultation processes. Often this leads to delays in approvals, extra costs and uncertainties for industry.
- Even though the Crown is ultimately responsible for ensuring adequate consultation, industry is usually left to deal with the consequences of allegations of inadequate consultation due to a lack of resources.
- There is a shortage of skilled labour in the pipeline industry, and capacity building initiatives that focus on training and education can assist industry in filling that shortage.
- Capacity building initiatives often result in collaborative processes with Aboriginal businesses/communities, and this creates positive benefits for both parties.

Definition of Capacity

Aboriginal communities do not have enough resources to deal with consultation requests, nor do they have adequate capacity to be able to benefit fully from economic opportunities. This is true even though governments and industry have developed a number of programs aimed at building capacity.

Capacity can be defined as “the ability of a community to perform functions effectively and efficiently so that opportunities and issues can be identified and solutions developed.” More specifically, for the purposes of this report and for CEPA-member companies, capacity building can be defined as short, intermediate and long-term ongoing initiatives that:



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- (i) assist Aboriginal communities in engaging in consultation with CEPA-member companies (specific initiatives could include: customized agreements, funding to review reports; funding for technical monitors/advisors/consultants; and funding to participate in archaeological, environmental, and other studies); and/or
- (ii) provide Aboriginal communities and CEPA member companies with mutual economic and business benefits (specific initiatives could include: contracting opportunities; community infrastructure; education and training programs; economic development; joint ventures; and business planning).

Some of the gaps that exist in current capacity-building programs are:

- Insufficient coordination among the various programs and initiatives and among the various players (government, industry, First Nations, educational institutions, etc);
- Few government capacity initiatives are directly related to consultation requests. Even though it is a responsibility of the Crown to provide capacity, industry has typically taken on this responsibility by default;
- Government programs generally do not provide enough flexibility to allow for long-term planning (dollars are typically provided year-to-year, rather than on a long-term basis; and
- Aboriginal communities and businesses have limited access to capital and infrastructure.



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Capacity Framework

CEPA's capacity framework has three elements: an introductory statement, some best practices, and core "principles" and associated "objectives." The framework – particularly the section on principles and objectives – takes into account the unique characteristics of Canada's pipeline industry and is organized under four specific "context" headings (plus one "general" category):

- (i) Timelines for approving projects can be short and based on competing interests;
- (ii) Pipeline facilities will exist for a long time;
- (iii) Industry is facing a shortage of skilled labour; and
- (iv) Employment opportunities are often short term and in remote areas.

It should be noted that CEPA has also developed a consultation framework as a companion document to the capacity framework. Although the two frameworks have been developed separately, they are intricately related and complement one another.



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CEPA Capacity Framework

Introduction

CEPA and its member companies recognize that Aboriginal communities often lack adequate resources to engage in consultation. We also recognize that Aboriginal communities may not fully participate in economic opportunities because of existing barriers and obstacles.

Members of CEPA will work with Aboriginal communities and the Crown to help develop capacity so that Aboriginal communities can participate in consultation processes and benefit from longer-term opportunities.

Best Practices

- Commitment: capacity building is a long-term, ongoing commitment;
- Positive Relationships: capacity building initiatives will be structured on positive relationships based on trust, respect and mutual benefits;
- Coordination: wherever possible, programs and initiatives will be coordinated with other programs to maximize benefits and facilitate long-term planning;
- Flexibility: capacity building initiatives will take into account local, historical and cultural differences; and
- Outcome-based: capacity building initiatives will be measured regularly against mutually defined objectives.



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Industry Context	Our Principles	Our Objectives
<p><i>Our timelines for approving projects can be short and based on a number of competing factors</i></p>	<p>Aboriginal communities may need resources to participate in consultation.</p>	<p>⇒ We will work with Aboriginal communities and the Crown to assess resource requirements.</p>
	<p>Aboriginal participation in planning is a priority.</p>	<p>⇒ To help facilitate Aboriginal participation in the planning process.</p>
<p><i>Our facilities will exist for a long time</i></p>	<p>Capacity building is a shared responsibility.</p>	<p>⇒ We will work with Aboriginal communities before, during, and after the project/activity to help build sustainable economic capacity in communities.</p>
	<p>Good business relationships are important.</p>	<p>⇒ We will develop relationships based on respect, trust and mutual benefits.</p>
	<p>Wherever possible, business opportunities should be linked with community priorities.</p>	<p>⇒ We will work with Aboriginal communities to connect training with jobs, and investments with opportunities.</p>



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Industry Context	Our Principles	Our Objectives
<p><i>We have a skilled labour shortage</i></p>	<p>Training programs are an important component of capacity building.</p> <p>Support of education is a priority.</p> <p>Support the coordination and integration of industry programs and resources.</p>	<p>⇒ We will work with Aboriginal communities, the Crown and others to develop relevant training programs.</p> <p>⇒ We will provide support for education programs.</p> <p>⇒ We will work with members, other companies, governments, organizations and Aboriginal communities to enhance value and maximize benefits.</p>
<p><i>Contracting and Employment opportunities are often short term and in remote communities</i></p>	<p>Provide contracting and employment opportunities.</p> <p>Educating Aboriginal communities about the pipeline industry is important.</p>	<p>⇒ We will work with Aboriginal businesses so they understand our contracting processes and we will work internally to develop awareness of Aboriginal businesses.</p> <p>⇒ We will educate communities about the pipeline industry.</p>



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Industry Context	Our Principles	Our Objectives
<p>General</p>	<p>Capacity building is a shared responsibility among the Crown, industry and Aboriginal communities.</p>	<p>⇒ We will work with Aboriginal communities to access existing government programs that build capacity.</p>
	<p>Innovation and flexibility is essential to building capacity.</p>	<p>⇒ We will strive to develop innovative programs that are flexible, accessible, and take into account different regional and cultural realities.</p>
	<p>Results are important.</p>	<p>⇒ We will work with Aboriginal communities to measure success by setting benchmarks.</p>