

Reports of the Commissioner of the Environment and Sustainable Development to the Parliament of Canada

# Departmental Progress in Implementing Sustainable Development Strategies—Clean Energy

## Report 8



## Independent Auditor's Report | 2024



Office of the  
Auditor General  
of Canada

Bureau du  
vérificateur général  
du Canada

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This report presents the results of a performance audit conducted by the Office of the Auditor General of Canada (OAG) under the authority of the [Auditor General Act](#).

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- report both positive and negative findings
- conclude against the established audit objectives
- make recommendations for improvement when there are significant differences between criteria and assessed performance

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# At a Glance



## Overall message

Overall, Natural Resources Canada, Environment and Climate Change Canada, Crown-Indigenous Relations and Northern Affairs Canada, and Indigenous Services Canada contributed to meeting the government's clean power generation and energy efficiency targets in the 2019–2022 Federal Sustainable Development Strategy. However, their contribution was limited because they had not fully implemented their departmental plans. Also, gaps in information in progress reports made it unclear to what extent the results achieved contributed to the federal targets.

Out of the 27 federal organizations responsible for preparing departmental sustainable development strategies, we looked at 4 that had departmental actions aimed at improving clean power generation and energy efficiency. Based on guidance on how to report on progress from Environment and Climate Change Canada and the Treasury Board of Canada Secretariat, we expected each federal organization to describe how the results of its actions had directly contributed to meeting the federal targets. Most followed reporting guidance by tracking their own results, but reporting was missing information to show how those achievements contributed directly to the federal targets.

Generating cleaner power and reducing energy consumption through improved efficiencies not only are key to reducing Canada's greenhouse gas emissions and supporting the transition to a low-carbon economy but also demonstrate leadership towards Canada's achievement of the United Nations' 2030 Agenda for Sustainable Development and fight against climate change.

## Key facts and findings



- Over 82% of the electricity produced annually in Canada is from renewable and non-emitting sources; this leaves a gap of more than 7 percentage points towards reaching the target of 90% of electricity generated from renewable and non-emitting sources by 2030.
- Reported departmental progress did not effectively tell how federal investments directly contributed to closing the gap of meeting the 90% clean power generation target by 2030.
- The implementation of federal measures led to around 100 petajoules of total annual energy savings towards a target of 600 petajoules of total annual savings by 2030. Canada is unlikely to meet this target by 2030 unless more aggressive action is undertaken.
- Departmental activity outputs such as investments made or number of projects completed has progressed, but information was missing on what these achievements meant in energy generation outcomes.

See [Recommendation and Responses](#) at the end of this report.

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# Introduction

## Background

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### Federal and departmental sustainable development strategies

8.1 Under the [Federal Sustainable Development Act](#), the Minister of Environment and Climate Change is required to develop a federal sustainable development strategy at least once every 3 years. The strategy outlines the Government of Canada's plan and vision for a more sustainable Canada over the 3-year period. It further establishes government-wide environmental and sustainable development goals and targets, and contributing actions.

8.2 The act also requires designated federal organizations (listed in the [Appendix](#)) to

- prepare their own sustainable development strategies that contain objectives and plans
- ensure that these strategies comply with the federal strategy and contribute to meeting its goals
- report on progress in implementing their sustainable development strategies at least once in each of the 2 years following the tabling in Parliament of their strategies

8.3 The federal sustainable development strategy subject to this audit covered the period from 2019 to 2022. Twenty-seven federal organizations were required to table departmental sustainable development strategies to contribute to the federal strategy ([Exhibit 8.1](#)).

## Exhibit 8.1—The 2019–2022 Federal Sustainable Development Strategy and expectations for contributions by departmental strategies

### 2019–2022 Federal Sustainable Development Strategy

<b>Federal goals</b>	The 13 federal goals in the strategy are long-term aspirational objectives that reflect the government’s priorities for sustainable development.
<b>Federal targets</b>	The federal strategy contains 32 targets, which are medium-term objectives that contribute to achieving the 13 federal goals. Each goal must have at least 1 target, and each target must have at least 1 indicator to track progress.

### 2020–2023 departmental sustainable development strategies

<b>Departmental actions</b>	Certain federal organizations have to develop their own departmental sustainable development strategies, which articulate their contributions to the federal strategy. Departmental actions in departmental strategies are concrete activities with objectives that individual organizations undertake to support the federal contributing actions and help to achieve the federal goals and targets.
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8.4 Under the [Auditor General Act](#), the Commissioner of the Environment and Sustainable Development monitors and reports on the progress of designated federal organizations towards sustainable development. This is a continually evolving concept that integrates social, economic, and environmental concerns. The Commissioner also has a duty to monitor and report on progress made by federal organizations that are subject to the *Federal Sustainable Development Act*. In particular, the Commissioner monitors and reports on the extent to which

- these organizations have contributed to meeting the targets in the federal strategy
- these organizations have met the objectives and implemented the plans in their departmental strategies

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#### Clean power generation and energy efficiency

8.5 This audit is our last report on the contribution of federal organizations under the 2019–2022 Federal Sustainable Development Strategy reporting cycle. This year’s report on departmental progress in implementing sustainable development strategies focuses on the 2 targets under the clean energy goal:

- clean power generation: By 2030, 90% and in the long term, 100% of Canada’s electricity is generated from renewable and non-emitting sources.

energy efficiency: By 2030, 600 **petajoules**<sup>1</sup> of total annual energy savings will be achieved as a result of adoption of energy efficiency codes, standards and practices from a baseline savings of 20 petajoules in 2017–2018.

These 2 targets have been maintained in the 2022–2026 Federal Sustainable Development Strategy under Goal 7: Increase Canadians' access to clean energy.

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**Responsibilities of  
federal organizations  
related to clean energy**

8.6 In their 2020–2023 departmental sustainable development strategies, 6 federal organizations linked their departmental actions to 1 or both targets under the clean energy goal. Among these, we examined the following 4 organizations that had departmental actions that were designed to directly contribute to meeting the clean power generation and energy efficiency targets, in alignment with their respective departmental mandates:

- Natural Resources Canada supports and promotes the production and use of clean energy through several programs in areas such as carbon management, cleaner fuels, electricity, buildings, and industry. The department also administers the Energy Efficiency Program with the aim of improving energy efficiency in homes, buildings, communities, and industry. In the context of the 2019–2022 Federal Sustainable Development Strategy, the department is responsible for measuring progress on the achievement of the 2 targets under the clean energy goal.
- Environment and Climate Change Canada is responsible for developing and implementing regulations and programs aimed at supporting energy efficiency and reducing greenhouse gas emissions. The department is also responsible for coordinating the development of the federal sustainable development strategy and for monitoring progress on its implementation.
- Crown-Indigenous Relations and Northern Affairs Canada supports northern and Indigenous communities in the transition from diesel to more sustainable sources of energy by funding renewable energy and energy efficiency projects, and related capacity building and planning.
- Indigenous Services Canada is responsible for providing financial support to First Nations communities to plan and implement projects that reduce their dependence on diesel-powered electricity.

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<sup>1</sup> **Petajoule**—A standard unit of energy. One petajoule is equivalent to the amount of energy 10,000 homes would use for 1 year.

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**United Nations’  
Sustainable  
Development Goals**



Affordable and clean energy  
Source: United Nations

8.7 In 2015, Canada committed to achieving the United Nations’ 2030 Agenda for Sustainable Development, which includes 17 Sustainable Development Goals. Goal 7 (affordable and clean energy) calls for signatories to do the following: “Ensure access to affordable, reliable, sustainable and modern energy for all.” The government’s commitment to increase clean power generation and energy efficiency relates directly to this goal. All federal ministers and organizations are accountable for implementing the 2030 Agenda for Sustainable Development and the Sustainable Development Goals within their areas of responsibility.

## Focus of the audit

8.8 This audit focused on whether the selected federal organizations contributed to meeting the target on clean power generation and the target on energy efficiency under the clean energy goal in the 2019–2022 Federal Sustainable Development Strategy and reported on their results towards the achievement of related targets 7.2 (to increase substantially the share of renewable energy in the global energy mix) and 7.3 (to double the global rate of improvement in energy efficiency) under the United Nations’ Sustainable Development Goal 7 (affordable and clean energy), as applicable to each organization.

8.9 This audit is important because generating cleaner power and reducing energy consumption through improved efficiencies are key to reducing Canada’s greenhouse gas emissions and supporting the transition to a low-carbon economy. By developing and reporting on sustainable development strategies, federal organizations can inform Canadians about progress made nationally on clean power generation and energy savings and how their own activities contributed to these achievements.

8.10 More details about the audit objective, scope, approach, and criteria are in [About the Audit](#) at the end of this report.



## Findings

### Key federal organizations contributed to the clean energy goal's targets with their actions

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#### Why this finding matters

8.11 Increasing the proportion of renewable and non-emitting electricity sources and increasing energy efficiency are important ways to reduce greenhouse gas emissions. In addition to supporting the transition to a low-carbon economy, a cleaner energy system also provides benefits such as healthier homes, more resilient infrastructure and ecosystems, and jobs for Canadians across the country.

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#### Context

8.12 Under the federal strategy's clean energy goal, the government committed to taking actions such as investing in clean energy technologies and working with provincial and territorial governments as well as northern, remote, and Indigenous communities and private sector partners to improve the development and deployment of clean energy. The federal government works closely with provincial and territorial governments in areas such as clean energy technologies and clean energy infrastructure. Provinces and territories also implement their own measures to increase their share of renewable energy. Indigenous communities and organizations also play an active role in clean energy projects across the country.

8.13 Increasing energy efficiency is also an important way to reduce greenhouse gas emissions. The federal government set out to work closely with partners, such as industry, municipalities, provinces and territories, and Canadians, to increase energy efficiency through measures such as energy labelling of appliances and vehicles, EnerGuide for homes and other efficiency tools, and standards for industry.

8.14 In their 2020–2023 departmental sustainable development strategies, the 4 federal organizations that we examined were expected to describe the actions that they would take in support of the 2019–2022 Federal Sustainable Development Strategy's clean energy goal's targets. The federal organizations supported with their actions either the clean power generation or the energy efficiency target, or both. They were also expected to outline how they would measure their departmental actions and show results towards achieving the targets by indicating

- a starting point from which to measure progress
- a target to be reached by a certain date

a relevant performance indicator to measure progress against their stated aim

8.15 These departments were expected to report progress on the achievement of the objectives included in their strategies for the 2020–21 and 2021–22 fiscal years. Our report also contains information on departmental progress for the 2022–23 fiscal year based on internal records provided by the departments in the context of the audit. The 2022–23 fiscal year marks the end of the 3-year cycle for departments to demonstrate progress on the 2019–2022 federal strategy.

8.16 In addition to reporting on progress made on its own departmental activities, Natural Resources Canada had the overall responsibility of measuring progress towards the achievement of the 2 targets under the clean energy goal at the national level:

- For the clean power generation target, the department compiled data taken from Statistics Canada surveys of industry on electricity generation in provinces and territories, in addition to data pulled from its own internal solar energy report. Based on this information, the department reported on the percentage of electricity generated from renewable and non-emitting sources in Canada.
- When reporting on the energy efficiency target, Natural Resources Canada used a modelling approach to estimate the petajoules of energy savings resulting from its activities delivered in collaboration with partners across the country.

## Significant acceleration needed in transitioning to renewable and non-emitting energy sources to meet the clean power generation target

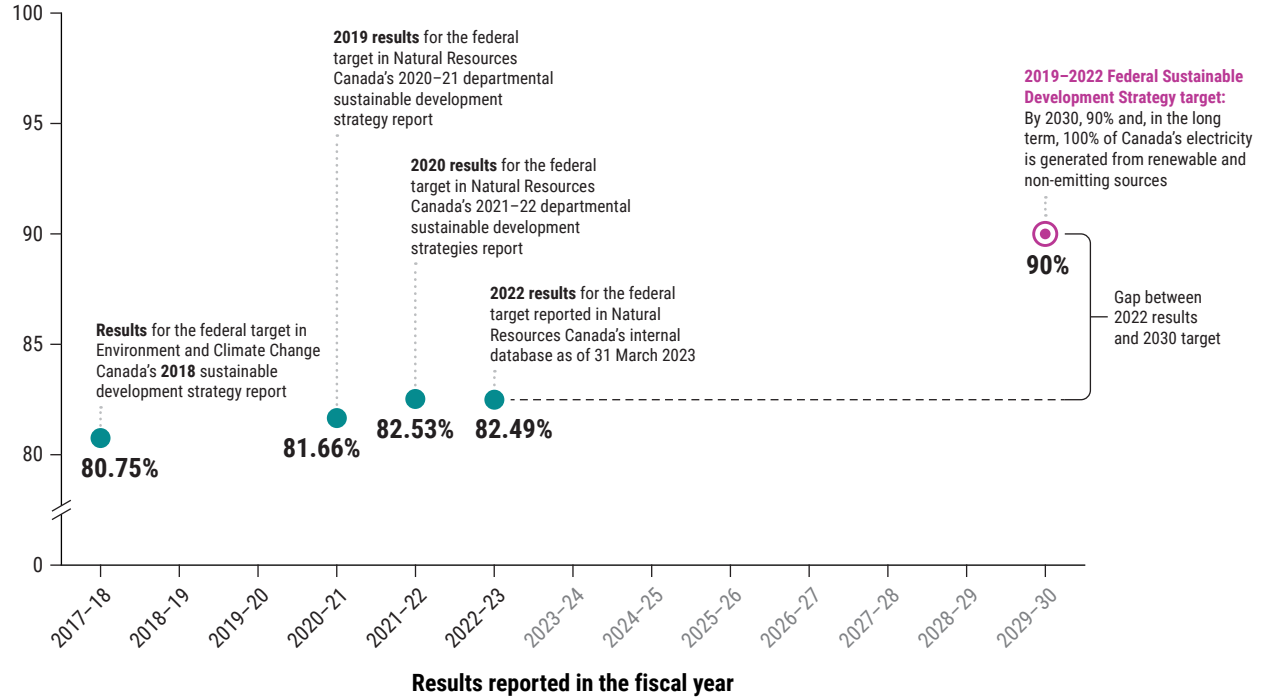
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### Findings

8.17 We examined progress reporting by Natural Resources Canada on the clean power generation target since 2018 and found progress needs to significantly accelerate towards reaching the target of 90% of electricity generated from renewable and non-emitting sources by 2030. According to the department, clean power generation in Canada represented 80.75% in 2018 and reached 82.49% as of March 2023 ([Exhibit 8.2](#)). Also based on departmental data on this target, we found which electricity generation sectors contributed to improve clean electricity in Canada ([Exhibit 8.3](#)). To reach the 90% target by 2030, an additional 7.51 percentage points of electricity will need to be generated from renewable and non-emitting sources.

**Exhibit 8.2—Results reported showed that Canada needs to significantly accelerate progress towards the 2030 Federal Sustainable Development Strategy clean power generation target**

**Percentage of electricity generated from renewable and non-emitting sources**



Note: Results presented on the clean energy target for the 2022-23 fiscal year were extracted from departmental internal reports. Natural Resources Canada did not report on progress in implementing its sustainable development strategy in the 2022-23 fiscal year, which was in alignment with requirements under the *Federal Sustainable Development Act*.

Source: Based on data from Natural Resources Canada and Environment and Climate Change Canada

**Exhibit 8.2—Results reported showed that Canada needs to significantly accelerate progress towards the 2030 Federal Sustainable Development Strategy clean power generation target—  
Text description**

This graph shows results reported since 2018 on progress towards the 2030 Federal Sustainable Development Strategy clean power generation target.

In the 2017–18 fiscal year, results for the federal target were reported in Environment and Climate Change Canada’s 2018 sustainable development strategy report. The percentage of electricity generated in Canada from renewable and non-emitting sources was 80.75%.

In the 2020–21 fiscal year, 2019 results for the federal target were reported in Natural Resources Canada’s 2020–21 departmental sustainable development strategy report. The percentage of electricity generated in Canada from renewable and non-emitting sources was 81.66%.

In the 2021–22 fiscal year, 2020 results for the federal target were reported in Natural Resources Canada’s 2021–22 departmental sustainable development strategies report. The percentage of electricity generated in Canada from renewable and non-emitting sources was 82.53%.

In the 2022–23 fiscal year, 2022 results for the federal target were reported in Natural Resources Canada’s internal database as of 31 March 2023. The percentage of electricity generated in Canada from renewable and non-emitting sources was 82.49%.

The 2019–2022 Federal Sustainable Development Strategy target is as follows: By 2030, 90% and, in the long term, 100% of Canada’s electricity is generated from renewable and non-emitting sources.

The gap between the 2022 results and the 2030 target is 7.51 percentage points.

Note: Results presented on the clean energy target for the 2022–23 fiscal year were extracted from departmental internal reports. Natural Resources Canada did not report on progress in implementing its sustainable development strategy in the 2022–23 fiscal year, which was in alignment with requirements under the *Federal Sustainable Development Act*.

Source: Based on data from Natural Resources Canada and Environment and Climate Change Canada

**Exhibit 8.3—Electricity generated from emitting (E) and renewable and non-emitting (RNE) sources by province or territory as of 31 March 2023**

Province or territory	Coal (E)	Natural gas (E)	Petroleum (E)	Other (E)	Biomass (RNE)	Hydro (RNE)	Nuclear (RNE)	Wind (RNE)	Solar and tidal (RNE)	Electricity generation from RNE sources (%)	Total electricity generation (gigawatt hours)
BC	-	2.48%	0.12%	-	5.30%	89.95%	-	2.08%	0.07%	97.40%	70,294
AB	13.29%	67.90%	2.32%	0.28%	2.29%	2.64%	-	9.58%	1.70%	16.22%	75,325
SK	34.39%	46.44%	-	0.35%	0.04%	13.31%	-	5.18%	0.29%	18.82%	24,825
MB	-	0.08%	0.07%	-	0.22%	96.98%	-	2.56%	0.10%	99.85%	37,883
ON	-	8.79%	0.07%	-	0.87%	26.60%	52.35%	9.53%	1.76%	91.13%	150,438
QC	-	0.05%	0.24%	-	0.65%	94.33%	-	4.71%	0.01%	99.70%	215,520
NB	15.84%	6.61%	12.34%	-	4.83%	27.29%	28.14%	4.91%	0.05%	65.22%	12,581
NS	43.06%	18.27%	12.14%	-	1.93%	10.19%	-	13.82%	0.60%	26.53%	8,949
PE	-	-	0.42%	-	0.65%	-	-	95.58%	3.34%	99.58%	552
NL	-	0.57%	2.21%	-	0.16%	96.62%	-	0.43%	-	97.21%	41,579
YT	-	4.44%	7.04%	-	-	87.29%	-	-	1.24%	88.52%	575
NT	-	14.65%	48.67%	-	-	34.11%	-	2.41%	0.16%	36.68%	712
NU	-	-	99.62%	-	-	-	-	-	0.38%	0.38%	193
<b>Canada</b>	<b>3.82%</b>	<b>12.61%</b>	<b>1.03%</b>	<b>0.05%</b>	<b>1.43%</b>	<b>61.60%</b>	<b>12.87%</b>	<b>5.94%</b>	<b>0.66%</b>	<b>82.49%</b>	<b>639,426</b>
<b>Total (gigawatt hours)</b>	<b>24,397</b>	<b>80,605</b>	<b>6,609</b>	<b>342</b>	<b>9,126</b>	<b>393,858</b>	<b>82,301</b>	<b>37,993</b>	<b>4,195</b>	<b>-</b>	<b>-</b>

Note: The total (gigawatt hours) is the total power generation from each emitting and renewable and non-emitting source (totals may not equal the sum of components because of rounding).

Source: Based on data from Natural Resources Canada

8.18 Despite progress of only 1.74 percentage points since 2018, Natural Resources Canada anticipates that progress towards the clean power generation target by 2030 will accelerate over the coming years as a result of federal regulations, including the [Reduction of Carbon Dioxide Emissions from Coal-fired Generation of Electricity Regulations](#). These regulations, administered by Environment and Climate Change Canada, came into effect in 2015 and were amended in 2018. Based on estimates from Environment and Climate Change Canada, the regulations are expected to accelerate the transition to renewable and non-emitting electricity generation sources, including phasing out the use of coal for electricity generation by 2030.

## Unclear progress reporting by organizations on how they helped to reach the clean power generation target

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### Findings

8.19 During our examination of the 2020–2023 departmental sustainable development strategies, we found that Natural Resources Canada, Indigenous Services Canada, and Crown-Indigenous Relations and Northern Affairs Canada collectively contributed to the clean power generation target with a total of 8 actions. Based on guidance on how to report on progress from Environment and Climate Change Canada and the Treasury Board of Canada Secretariat, we expected each federal organization to describe how the results of its actions had directly contributed to meeting the federal strategy target.

8.20 Natural Resources Canada had 6 actions that contributed to the clean power generation target through investments in research and development and in renewable energy projects. We examined whether the department implemented its plans for these actions ([Exhibit 8.4](#)) and whether progress made, as reported, helped to meet the clean power generation target:

- We found that for 2 actions (Actions 4 and 5), the department did not specify a relevant performance indicator, such as megawatts of installed electricity generation capacity supported. Instead, the department used as an indicator for these federal investments the overall target of 90% of electricity generated from renewable and non-emitting sources to be reached by 2030 and reported the 82.49% reached nationally as a result. This indicator was not relevant because it was not set to measure how the actions increased generation capacity and helped reach the target.
- We found that for 4 of the 6 actions (Actions 1, 2, 3, and 6), the department provided a relevant indicator of progress and reported against it. However, in each case, the department described progress in terms of output resulting from its activities but did not tell how these achievements helped to achieve the target. For

example, reporting on Action 3 indicated that investments resulted in the completion of 17 smart grid projects but did not describe the benefits or contribution of these projects towards meeting the target.

8.21 As a result, in most cases, Natural Resources Canada reported the extent to which it met the objectives set out in its departmental sustainable development strategy, but in all cases, the reported progress did not tell how federal investments directly contributed to close the 7.51-percentage-point gap to meet the target by 2030.

**Exhibit 8.4—Natural Resources Canada had not completed the work planned for most of its actions contributing to the clean power generation target**

Departmental action	Performance indicator, starting point, and target	Results as of 31 March 2023
Action 1. Support the use of renewable and non-emitting energy sources for electrification of upstream gas and liquefied natural gas (LNG) production to displace higher-emitting fuels in Canada and abroad.	Performance indicator: Number of electrification projects built or under construction Starting point: 1 in 2019 Target: 3 electrification projects by 2024	Target met. Results: 3 electrification projects built by the 2021–22 fiscal year
Action 2. Advance research, development, and demonstration (RD&D) for clean energy technologies.	Performance indicator: Ratio of program investments in clean energy RD&D to leveraged funding from partners Starting point: 3:1 ratio of partner investments compared to Natural Resources Canada’s energy innovation projects in 2018–19 Target: Minimum of 1:1 ratio on an annual basis of partner investments maintained compared to Natural Resources Canada–funded government spending on energy innovation projects	Target met. Results: 2.5:1 ratio of partner investments compared to Natural Resources Canada–funded government spending on energy innovation projects
Action 3. Continue to invest in the deployment of smart grid integrated systems and the demonstration of next generation smart grid technologies, in collaboration with partners.	Performance indicator: Number of new or emerging smart grid projects completed since launch of Green Infrastructure programs Starting point: 0 projects completed as of 2019–20 Target: Complete 22 projects by March 2023	Target not met. Results: 17 projects completed

Departmental action	Performance indicator, starting point, and target	Results as of 31 March 2023
Action 4. Invest in renewable energy projects which can also provide grid services, and stand-alone grid modernization projects.	<p>Performance indicator: Percentage of Canadian electricity generated from non-greenhouse gas emitting sources</p> <p>Starting point as of the beginning of the 2020–2023 departmental sustainable development strategy: 82%</p> <p>Target: At least 90% by March 2030</p>	<p>The target has not been met yet, as the target date is beyond the period of the 2020–2023 departmental sustainable development strategy.</p> <p>Results: 82.49%</p>
Action 5. Invest in renewable energy projects, such as geothermal, tidal, and next generation solar.	<p>Performance indicator: Percentage of Canadian electricity generated from non-greenhouse gas emitting sources</p> <p>Starting point as of the beginning of the 2020–2023 departmental sustainable development strategy: 82%</p> <p>Target: At least 90% by March 2030</p>	<p>The target has not been met yet, as the target date is beyond the period of the 2020–2023 departmental sustainable development strategy.</p> <p>Results: 82.49%</p>
Action 6. Continue to advance the generation of energy from renewable sources in rural and remote communities.	<p>Performance indicator: Number of renewable energy projects completed in rural and remote communities and off-grid industrial operations</p> <p>Starting point: 0 projects completed as of 2018–19</p> <p>Target: 115 projects by 2026</p>	<p>The target has not been met yet, as the target date is beyond the period of the 2020–2023 departmental sustainable development strategy.</p> <p>Results: 44 projects completed</p>

Source: Based on data from Natural Resources Canada

8.22 From our review of Natural Resources Canada’s internal programming activities and records on the clean power generation target, we found opportunities to improve progress reporting with information showing how departmental actions helped towards achieving the federal clean power generation target. For example, under Action 4, we found that the department had invested \$744 million in 95 projects with an expected transition to clean electricity generation of 1,523 megawatts of installed capacity upon completion and that upon the end of the sustainable development strategy reporting period in March 2023, 9 projects had been completed with a contribution of 80.19 megawatts towards the target. In our opinion, progress reporting



by the department on the contribution of its activities towards clean power generation would benefit from such information, which in this case shows how projects completed, as a result of federal investments made under Action 4, directly contributed to achieving the clean power generation target by presenting their share of power generation.

8.23 Crown-Indigenous Relations and Northern Affairs Canada and Indigenous Services Canada had 1 action each in their 2020–2023 departmental sustainable development strategies that contributed to meeting the clean power generation target. We found that each action helped to meet the target by supporting Indigenous and remote communities in transitioning from diesel to clean, renewable, and reliable energy such as solar, hydro, and wind. We examined whether each department had implemented its plan for its respective action ([Exhibit 8.5](#)) and whether progress made, as reported, helped to meet the target. We found that each department provided an indicator to track progress for the action and reported against it. Although progress reporting provided useful information on the progress made by each department in implementing its plan, we found room for improvement as to what the reported progress meant towards achieving the target:

- Crown-Indigenous Relations and Northern Affairs Canada reported on the reduction of diesel consumption resulting from its projects in northern communities, with some progress in that direction. Despite providing useful information on diesel savings as an emitting source for electricity generation, reporting by the department did not provide information on the quantity of electricity produced from clean sources as a result of its activities. In addition, the department's target for completion of its activities in 2028 extended well beyond the end of the reporting period in March 2023. This made it difficult to determine whether the department was on track to meet its own objectives.
- Indigenous Services Canada reported on the number of First Nations communities located on reserves that relied on Indigenous Services Canada–funded diesel for electricity generation, with a reduction of 5 communities over a period of 6 years. However, this reporting did not provide any information on the quantity of electricity that transitioned from diesel to non-emitting sources as a result of departmental activities. In addition, the department's period to report on its indicator spanned from 2017 until 2025—well outside the mandated 2020–2023 period for departmental strategies.

**Exhibit 8.5—Crown-Indigenous Relations and Northern Affairs Canada and Indigenous Services Canada helped to reduce Indigenous communities’ dependence on diesel fuel for electricity generation, but much remains to be done**

Department	Departmental action	Performance indicator, starting point, and target	Results as of 31 March 2023
Crown-Indigenous Relations and Northern Affairs Canada	Support northern communities, governments, and organizations to plan and construct renewable energy and energy efficiency projects that reduce diesel use for electricity and heating.	Indicator: Reduction (in litres) in the consumption of diesel fuel for electricity and heating in northern communities resulting from renewable energy and energy efficiency projects  Starting point: 263,000 litres of diesel as of 31 March 2019  Target: Cumulative 12.5 million litres of diesel fuel reduced by 2028	The target has not been met yet, as the target date is beyond the period of the 2020–2023 departmental sustainable development strategy.  Results: Cumulative 2.78 million litres of diesel fuel reduced
Indigenous Services Canada	Provide direct funding support to First Nations communities to plan and implement projects that reduce dependence on diesel-powered electricity on reserve and work with partner government departments, such as Natural Resources Canada and Environment and Climate Change Canada, to ensure a national approach.	Indicator: Number of First Nations communities located on reserves that rely on Indigenous Services Canada–funded diesel for electricity generation  Starting point: 40 communities as of 31 March 2017  Target: 24 communities as of 31 March 2025	The target has not been met yet, as the target date is beyond the period of the 2020–2023 departmental sustainable development strategy.  Results: 35 communities

Source: Based on our analysis of information from Crown-Indigenous Relations and Northern Affairs Canada and Indigenous Services Canada

8.24 While examining departmental programming activities and records underlying sustainable development strategy activities, we found that both organizations had information relevant to the federal clean power generation target. For example, we found that under its action, Crown-Indigenous Relations and Northern Affairs Canada had completed 59 clean energy projects by March 2023 and that for 27 of them, the department recorded an increase in clean electricity generation capacity adding up to 3,989 kilowatts. However, we noted that tracking of some projects towards the federal target was not always possible, such as those aimed to build capacity, or support planning and feasibility. Similarly, for Indigenous Services Canada, we found that tracking of projects towards the federal target was not always possible, as it involved connecting communities to an existing provincial electricity distribution network.

8.25 We found as of 31 March 2023, Crown-Indigenous Relations and Northern Affairs Canada and Indigenous Services Canada had respectively spent \$13.5 million and \$79.4 million on the completed projects under their departmental actions.

## Not on track to meet energy efficiency target

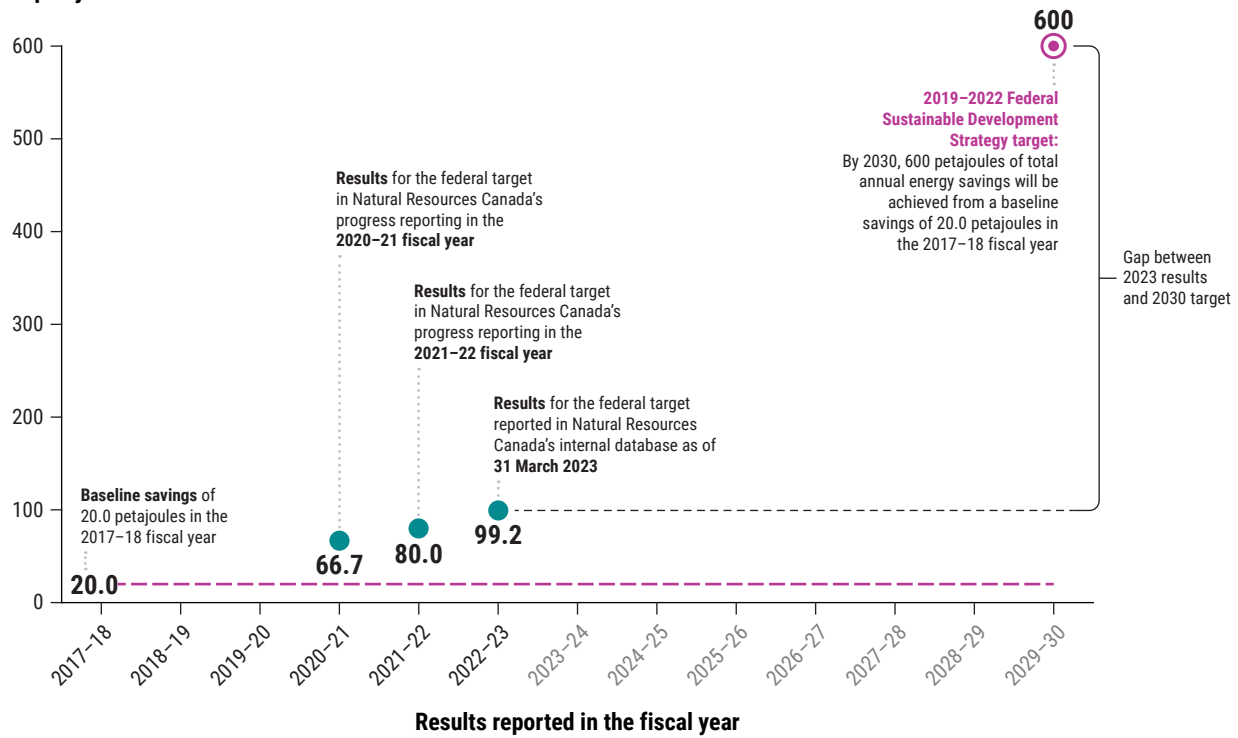
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### Findings

8.26 We examined the progress reporting and other corporate reporting made by Natural Resources Canada on the results towards the achievement of the energy efficiency target. We found that the results achieved were not on track to meet the target of 600 petajoules of total annual energy savings by 2030 ([Exhibit 8.6](#)). As of March 2023, the implementation of federal measures led to 99.2 petajoules of annual energy savings. The department did not consider the results achieved by Environment and Climate Change Canada of 1.2 petajoules ([see paragraph 8.30](#)) when reporting on the target. Natural Resources Canada acknowledged to us that this federal target is unlikely to be achieved by 2030 unless more aggressive action is undertaken.

**Exhibit 8.6—Results reported by Natural Resources Canada were not on track to achieve the government’s 2030 energy efficiency target unless more aggressive action is undertaken**

**Total annual energy savings in petajoules**



Source: Based on data from Natural Resources Canada

**Exhibit 8.6—Results reported by Natural Resources Canada were not on track to achieve the government’s 2030 energy efficiency target unless more aggressive action is undertaken—Text description**

This graph shows results reported since 2018 on progress towards achieving the government’s 2030 energy efficiency target. Results were not on track to achieve the target unless more aggressive action is undertaken.

In the 2017–18 fiscal year, baseline savings of 20.0 petajoules were established.

In the 2020–21 fiscal year, results for the federal target were reported in Natural Resources Canada’s progress reporting. The total annual energy savings was 66.7 petajoules.

In the 2021–22 fiscal year, results for the federal target were reported in Natural Resources Canada’s progress reporting. The total annual energy savings was 80.0 petajoules.

In the 2022–23 fiscal year, results for the federal target were reported in Natural Resources Canada’s internal database as of 31 March 2023. The total annual energy savings was 99.2 petajoules.

### Exhibit 8.6—Text description continued

The 2019–2022 Federal Sustainable Development Strategy target is as follows: By 2030, 600 petajoules of total annual energy savings will be achieved from a baseline savings of 20.0 petajoules in the 2017–18 fiscal year.

The gap between the 2023 results and the 2030 target is 500.8 petajoules.

Source: Based on data from Natural Resources Canada

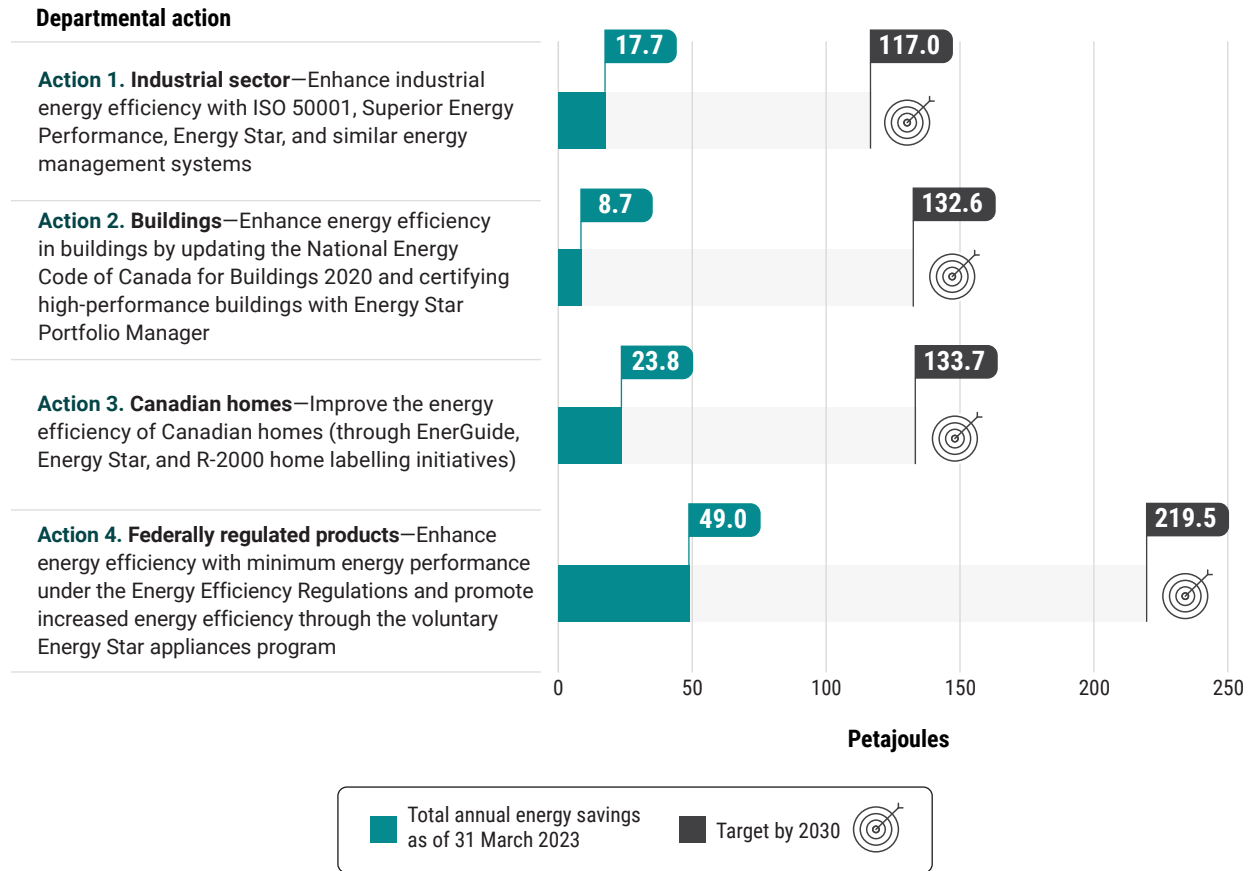
## Slow progress in uptake and implementation of energy efficiency departmental actions

### Findings

8.27 For this target, we found that Natural Resources Canada and Environment and Climate Change Canada collectively indicated 6 actions in their 2020–2023 departmental sustainable development strategies.

8.28 We found that Natural Resources Canada described in its strategy how the results of its actions contributed to meeting the federal target. Each of the departmental actions had a specific target of energy savings to be achieved, and these actions collectively added up to 602.8 petajoules of total annual energy savings, slightly above the target to be met. We also found that the department reported on its progress towards the target in terms of energy saved in petajoules annually for each of its actions. However, as of March 2023, none of the individual targets were on track to be met ([Exhibit 8.7](#)).

**Exhibit 8.7—Natural Resources Canada’s actions to increase energy efficiency and reduce energy usage by 2030 were not on track to meet the target**



Source: Based on data from Natural Resources Canada

**Exhibit 8.7—Natural Resources Canada’s actions to increase energy efficiency and reduce energy usage by 2030 were not on track to meet the target—Text description**

This graph shows the total annual energy savings as of 31 March 2023 and the targets by 2030 for 4 departmental actions. None of the targets were on track.

**Action 1. Industrial sector**—Enhance industrial energy efficiency with ISO 50001, Superior Energy Performance, Energy Star, and similar energy management systems. For this action, the total annual energy savings as of 31 March 2023 was 17.7 petajoules, and the target by 2030 is 117.0 petajoules.

**Action 2. Buildings**—Enhance energy efficiency in buildings by updating the National Energy Code of Canada for Buildings 2020 and certifying high-performance buildings with Energy Star Portfolio Manager. For this action, the total annual energy savings as of 31 March 2023 was 8.7 petajoules, and the target by 2030 is 132.6 petajoules.

**Exhibit 8.7—Text description continued**

Action 3. Canadian homes—Improve the energy efficiency of Canadian homes (through EnerGuide, Energy Star, and R-2000 home labelling initiatives). For this action, the total annual energy savings as of 31 March 2023 was 23.8 petajoules, and the target by 2030 is 133.7 petajoules.

Action 4. Federally regulated products—Enhance energy efficiency with minimum energy performance under the Energy Efficiency Regulations and promote increased energy efficiency through the voluntary Energy Star appliances program. For this action, the total annual energy savings as of 31 March 2023 was 49.0 petajoules, and the target by 2030 is 219.5 petajoules.

Source: Based on data from Natural Resources Canada

8.29 The implementation of Natural Resources Canada's actions to improve energy efficiency is a shared responsibility between federal, provincial, territorial, and municipal governments, and also involves industry and the Canadian population. The department's responsibilities involve the development of standards and various support measures such as financial assistance, providing science expertise, and intergovernmental coordination. The department also promotes the adoption of various incentive measures aimed at improving energy efficiency. In turn, government partners are responsible for adopting and applying energy efficiency codes and standards in their jurisdiction. Natural Resources Canada acknowledged to us the slow progress towards energy efficiency and that the 600 petajoules of annual energy savings envisioned by 2030 is unlikely to be met unless more aggressive action is undertaken.

8.30 We found that Environment and Climate Change Canada included 2 actions in its strategy that contributed to the achievement of the energy efficiency target ([Exhibit 8.8](#)). However, for the first action, which aimed at increasing energy efficiency in buildings, the department did not track energy savings and did not report any related results. The department's second action provided funding to decrease energy usage and measured progress in petajoules of energy savings. However, the related funding program ended in 2020–21 without meeting its target.

**Exhibit 8.8—Environment and Climate Change Canada’s objectives aimed at improving energy efficiency were either not established or not met**

Departmental action	Performance indicator, starting point, and target	Results as of 31 March 2023
Action 1: Investments delivered through the Federation of Canadian Municipalities’ Green Municipal Fund to increase energy efficiency in residential, commercial and multi-unit buildings.	Performance indicator: Annual emissions of greenhouse gases (megatons) Starting point: 2005 levels Target: 30% reduction in greenhouse gas emissions from 2005 levels	No results available in any departmental reporting for this departmental action.
Action 2: Deliver the Climate Action Incentive Fund (CAIF), which provided funding for projects and initiatives that decrease energy usage, save money and reduce carbon pollution. Funded projects were undertaken by a range of partners such as private enterprises, municipalities, universities, schools, and hospitals.	Performance indicator: Annual energy savings (petajoules) Starting point: Baseline of zero Target: 1.9 petajoules annually	Target not met. Results: 1.2 petajoules annually

Source: Based on our analysis of information from Environment and Climate Change Canada

**Guidance to track results on departmental actions mostly followed**

**Findings**

8.31 We found that for the most part, Natural Resources Canada, Environment and Climate Change Canada, Crown-Indigenous Relations and Northern Affairs Canada, and Indigenous Services Canada followed the guidance on how to report by using an indicator for their actions and by reporting progress against the indicators they chose, which provided valuable information on expected activity output such as the number of projects completed, funding level reached, or number of communities served.

8.32 However, we found that the majority of the reporting by these 4 organizations failed to demonstrate how the progress made tangibly or meaningfully contributed to meeting either the clean power generation target or the energy efficiency target, consistent with audit findings in previous sections.



8.33 Under Environment and Climate Change Canada and Treasury Board of Canada Secretariat guidance on progress reporting, federal organizations are required to report on how their actions directly help to achieve associated targets. We recognize that by their nature, some departmental actions meaningfully contribute to meeting a target but can make reporting quantitatively against it somewhat challenging. For example, Natural Resources Canada had an action involving investments in research and development for clean energy technologies. Although this activity is relevant and enabling for the clean power generation target, we recognize the difficulty of expressing progress in terms of megawatts of clean energy produced as a result of its implementation. In our opinion, when a departmental action is enabling in nature, reporting should explain its benefits and provide information on its potential to foster improvements towards the target.

## Key federal organizations had insufficient reporting on how their results helped to achieve Sustainable Development Goal 7

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### Why this finding matters

8.34 This finding matters because Canada’s Federal Implementation Plan for the 2030 Agenda expects its federal organizations to report to Canadians on their progress made towards the achievement of the United Nations’ Sustainable Development Goal targets that fall within their mandates.

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### Context



Affordable and clean energy  
Source: United Nations

8.35 In September 2015, Canada adopted the United Nations’ 2030 Agenda for Sustainable Development, which includes 17 Sustainable Development Goals. According to the 2019–2022 Federal Sustainable Development Strategy, the 2 targets under the clean energy goal fall within the United Nations’ Sustainable Development Goal targets 7.2 and 7.3 under Goal 7 (affordable and clean energy) ([Exhibit 8.9](#)).

**Exhibit 8.9—The clean energy goal’s targets under the federal strategy and relevant United Nations’ Sustainable Development Goal targets**

2019–2022 Federal Sustainable Development Strategy targets under the clean energy goal	United Nations’ Sustainable Development Goal targets under Goal 7—Ensure access to affordable, reliable, sustainable and modern energy for all
Clean power generation target: By 2030, 90% and in the long term, 100% of Canada’s electricity is generated from renewable and non-emitting sources.	Target 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix.
Energy efficiency: By 2030, 600 petajoules of total annual energy savings will be achieved as a result of adoption of energy efficiency codes, standards and practices from a baseline savings of 20.0 petajoules in 2017–2018.	Target 7.3: By 2030, double the global rate of improvement in energy efficiency

Source: 2019–2022 Federal Sustainable Development Strategy

8.36 The government’s guidance for preparing departmental sustainable development strategies and reports expects federal organizations to identify which of the Sustainable Development Goals and targets their actions relate to when applicable. Also, when reporting on progress, federal organizations are expected to provide links to the relevant Sustainable Development Goals and targets.

8.37 In the broader context of the federal government’s reporting on results, the Treasury Board of Canada Secretariat asked organizations to describe how the results achieved by their policies, programs, initiatives, and investments contributed to advancing 1 or more of the United Nations’ Sustainable Development Goals, as applicable. In the context of this audit, we expected each of the 4 organizations to have reported progress in its departmental results reports or any other corporate reporting for the fiscal years under our audit period.

**Unclear departmental reporting against United Nations’ renewable energy and energy efficiency targets**

**Findings**

8.38 We found that Natural Resources Canada, Environment and Climate Change Canada, Crown-Indigenous Relations and Northern Affairs Canada, and Indigenous Services Canada followed federal guidance to link their departmental actions under the federal strategy to the relevant targets under the United Nations’ Sustainable Development Goal. They linked most of their actions with the associated targets 7.2 and 7.3 of Goal 7 on ensuring access to affordable, reliable, sustainable, and modern energy for all.

8.39 However, we found that progress reporting against the United Nations' targets was for the most part the same as progress reported under the federal strategy and, as such, exhibited the same limitations as the findings presented in previous sections of this report. Natural Resources Canada appropriately reported progress against target 7.2 in terms of clean electricity production capacity installed as a result of its projects in 1 case and reported correctly against target 7.3 in terms of energy savings in petajoules ([see paragraph 8.28](#)). In all other cases, the 4 federal organizations reported progress in terms of departmental activity output such as investments made or number of projects completed, but information was missing on what these achievements meant in terms of renewable energy or energy efficiency improvement outcomes.

## Recommendation

8.40 Natural Resources Canada, Environment and Climate Change Canada, Crown-Indigenous Relations and Northern Affairs Canada, and Indigenous Services Canada should clearly describe in their departmental strategies and progress reporting how the results of all their actions contribute to the achievement of the clean power generation and the energy efficiency targets under the clean energy goal in the 2019–2022 Federal Sustainable Development Strategy. To achieve this, they should use, to the extent possible, the same or equivalent progress measurement metrics that are provided for these targets in the federal strategy. In a similar fashion, when reporting progress against corresponding United Nations' Sustainable Development Goal targets 7.2 and 7.3 on renewable energy and energy efficiency, the departments should use applicable and specific progress measurement indicators.

**Response of each entity.** *Agreed.*

See [Recommendation and Responses](#) at the end of this report for detailed responses.

## Conclusion

8.41 We concluded that Natural Resources Canada, Environment and Climate Change Canada, Crown-Indigenous Relations and Northern Affairs Canada, and Indigenous Services Canada contributed to meeting the target on clean power generation and the target on energy efficiency under the clean energy goal in the 2019–2022 Federal Sustainable Development Strategy, as applicable to each organization. However, this contribution was limited because the departments had not fully

implemented their plans. Also, progress reports missed information, which made unclear to what extent the results achieved contributed to the federal targets.

8.42 Likewise, these organizations reported activities and associated results towards the achievement of target 7.2 on increasing renewable energy and target 7.3 on improving energy efficiency under the United Nations' Sustainable Development Goal 7 on affordable and clean energy, but there were gaps in reporting how the results achieved contributed to advancing these targets.

8.43 Natural Resources Canada reported on progress made federally towards achieving each of the 2 federal strategy targets, and as of March 2023, much needed to be done to meet the 2030 objectives. With just over 82% of electricity produced from clean sources, Canada needs to accelerate the transition to renewable and non-emitting energy sources to meet the 90% target by 2030. Also, with projects contributing to the achievement of around 100 petajoules of energy savings, Canada is not on track and unlikely to meet the energy efficiency target of 600 petajoules by 2030 unless more aggressive action is undertaken.

## About the Audit

This independent assurance report was prepared by the Office of the Auditor General of Canada on the contribution of departmental sustainable development strategies to the clean energy targets in the 2019–2022 Federal Sustainable Development Strategy. Our responsibility was to provide objective information, advice, and assurance to assist Parliament in its scrutiny of the government's management of resources and programs and to conclude on whether the implementation of selected federal organizations' departmental sustainable development strategies complied in all significant respects with the applicable criteria.

All work in this audit was performed to a reasonable level of assurance in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001—Direct Engagements, set out by the Chartered Professional Accountants of Canada (CPA Canada) in the CPA Canada Handbook—Assurance.

The Office of the Auditor General of Canada applies the Canadian Standard on Quality Management 1—Quality Management for Firms That Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements. This standard requires our office to design, implement, and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

In conducting the audit work, we complied with the independence and other ethical requirements of the relevant rules of professional conduct applicable to the practice of public accounting in Canada, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

In accordance with our regular audit process, we obtained the following from entity management:

- confirmation of management's responsibility for the subject under audit
- acknowledgement of the suitability of the criteria used in the audit
- confirmation that all known information that has been requested, or that could affect the findings or audit conclusion, has been provided
- confirmation that the audit report is factually accurate

### Audit objective

The objective of this audit was to determine whether the selected federal organizations contributed to meeting the target on clean power generation and the target on energy efficiency under the clean energy goal in the 2019–2022 Federal Sustainable Development Strategy and reported on their results towards the achievement of related targets 7.2 (to increase substantially the share of renewable energy in the global energy mix) and 7.3 (to double the global rate of improvement in energy efficiency) under the United Nations' Sustainable Development Goal 7 (affordable and clean energy), as applicable to each organization.

## Scope and approach

We selected the target on clean power generation and the target on energy efficiency under the clean energy goal in the 2019–2022 Federal Sustainable Development Strategy. We audited the 4 organizations with actions in their departmental sustainable development strategies aimed at supporting directly the targets under the clean energy goal.

We audited whether the 4 organizations had complied with key expectations set out in guidance to establish their 2020–2023 departmental sustainable development strategies and whether the actions included in those strategies would, over time, contribute to the targets under the clean energy goal. We reviewed the 4 organizations’ 2020–21 and 2021–22 reports on their departmental sustainable development strategies to determine whether they had complied with key expectations from guidance. We examined whether the organizations have implemented their plans and achieved their objectives for the 2020–21 to 2022–23 fiscal years. We examined whether the organizations tracked results of their actions to determine how they contributed to meeting the related federal sustainable development strategy targets under the clean energy goal.

For the 4 organizations within the audit scope, we examined whether they reported how their results contributed to achieving the United Nations’ Sustainable Development Goal 7 (affordable and clean energy). We focused on target 7.2 (by 2030, increase substantially the share of renewable energy in the global energy mix) and target 7.3 (by 2030, double the global rate of improvement in energy efficiency).

We gathered audit evidence through document reviews, interviews with federal officials, and data analyses. We obtained from officials supporting evidence for the results reported for departmental actions in their departmental sustainable development strategy reports or any corporate reporting available for the 2020–21 to 2022–23 fiscal years.

## Criteria

We used the following criteria to conclude against our audit objective:

Criteria	Sources
<p>Organizations prepared departmental sustainable development strategies that contribute to meeting the federal sustainable development strategy’s targets under the clean energy goal in the 2019–2022 Federal Sustainable Development Strategy.</p>	<ul style="list-style-type: none"> <li>• <a href="#">Federal Sustainable Development Act</a></li> <li>• <a href="#">Auditor General Act</a></li> <li>• Achieving a Sustainable Future: A Federal Sustainable Development Strategy for Canada 2019 to 2022, Environment and Climate Change Canada</li> <li>• Guidance for the Preparation of Departmental Sustainable Development Strategies 2020–2023, Environment and Climate Change Canada and Treasury Board of Canada Secretariat, 2019</li> </ul>

Criteria	Sources
<p>Organizations implemented the plans and reported the extent to which they met the objectives set out in their departmental sustainable development strategies that relate to the targets under the clean energy goal in the 2019–2022 Federal Sustainable Development Strategy.</p>	<ul style="list-style-type: none"> <li>• <i>Federal Sustainable Development Act</i></li> <li>• <i>Auditor General Act</i></li> <li>• <i>Achieving a Sustainable Future: A Federal Sustainable Development Strategy for Canada 2019 to 2022, Environment and Climate Change Canada</i></li> <li>• <i>Federal Sustainable Development Strategy 2019–2022 Management Framework, Environment and Climate Change Canada, 2020</i></li> <li>• <i>Guidance for the Preparation of 2020–21 Departmental Sustainable Development Strategy Reports, Environment and Climate Change Canada and Treasury Board of Canada Secretariat, 2021</i></li> <li>• <i>Guidance for the Preparation of 2021–22 Departmental Sustainable Development Strategy Reports, Environment and Climate Change Canada and Treasury Board of Canada Secretariat, 2022</i></li> <li>• <i>2020–2023 departmental sustainable development strategies of each of the selected organizations</i></li> <li>• <i>Guidance for the Preparation of 2021–22 Departmental Sustainable Development Strategy Reports Template</i></li> </ul>
<p>Organizations reported how the results achieved by their policies, programs, initiatives, or investments contributed to advancing related target 7.2 (to increase substantially the share of renewable energy in the global energy mix) and target 7.3 (to double the global rate of improvement in energy efficiency) under the United Nations’ Sustainable Development Goal 7 (affordable and clean energy), as identified in their departmental sustainable development strategies.</p>	<ul style="list-style-type: none"> <li>• <i>Federal Sustainable Development Act</i></li> <li>• <i>Auditor General Act</i></li> <li>• <i>Achieving a Sustainable Future: A Federal Sustainable Development Strategy for Canada 2019 to 2022, Environment and Climate Change Canada</i></li> <li>• <i>Guidance for the Preparation of Departmental Sustainable Development Strategies 2020–2023, Environment and Climate Change Canada and Treasury Board of Canada Secretariat, 2019</i></li> <li>• <i>Guidance for the Preparation of 2020–21 Departmental Sustainable Development Strategy Reports, Environment and Climate Change Canada and Treasury Board of Canada Secretariat, 2021</i></li> <li>• <i>Guidance for the Preparation of 2021–22 Departmental Sustainable Development Strategy Reports, Environment and Climate Change Canada and Treasury Board of Canada Secretariat, 2022</i></li> </ul>

Criteria	Sources
	<ul style="list-style-type: none"> <li>• 2020–2023 departmental sustainable development strategies of each of the selected entities</li> <li>• Guide to Preparing the 2022–23 Departmental Results Report, Treasury Board of Canada Secretariat, 2023</li> <li>• <a href="#">Transforming Our World: The 2030 Agenda for Sustainable Development</a>, United Nations</li> <li>• Canada’s Federal Implementation Plan for the 2030 Agenda</li> </ul>

### Period covered by the audit

The audit covered the period from 1 June 2020 to 31 March 2023. This is the period to which the audit conclusion applies. However, to gain a more complete understanding of the subject matter of the audit, we also examined certain matters that preceded the start date of this period.

### Date of the report

We obtained sufficient and appropriate audit evidence on which to base our conclusion on 17 September 2024, in Ottawa, Canada.

### Audit team

This audit was completed by a multidisciplinary team from across the Office of the Auditor General of Canada led by David Normand, Principal. The principal has overall responsibility for audit quality, including conducting the audit in accordance with professional standards, applicable legal and regulatory requirements, and the office’s policies and system of quality management.



## Recommendation and Responses

Responses appear as they were received by the Office of the Auditor General of Canada.

In the following table, the paragraph number preceding the recommendation indicates the location of the recommendation in the report.

Recommendation	Response
<p><b>8.40</b> Natural Resources Canada, Environment and Climate Change Canada, Crown-Indigenous Relations and Northern Affairs Canada, and Indigenous Services Canada should clearly describe in their departmental strategies and progress reporting how the results of all their actions contribute to the achievement of the clean power generation and the energy efficiency targets under the clean energy goal in the 2019–2022 Federal Sustainable Development Strategy. To achieve this, they should use, to the extent possible, the same or equivalent progress measurement metrics that are provided for these targets in the federal strategy. In a similar fashion, when reporting progress against corresponding United Nations’ Sustainable Development Goal targets 7.2 and 7.3 on renewable energy and energy efficiency, the departments should use applicable and specific progress measurement indicators.</p>	<p><b>Natural Resources Canada’s response.</b> Agreed. NRCan will continue to follow guidelines from the Treasury Board of Canada Secretariat and Environment and Climate Change Canada, in the preparation of its Departmental Sustainable Development Strategies (DSDS), its updates and its reports.</p> <p>In doing so, NRCan will ensure to clearly describe how the results of its departmental actions contribute to the achievement of the targets under the clean energy goal using equivalent metrics, as applicable. Similarly, NRCan will also ensure to use relevant progress measurement indicators when reporting against the United Nations Sustainable Development Goals for targets 7.2 and 7.3.</p> <p><b>Environment and Climate Change Canada’s response.</b> Agreed. Environment and Climate Change Canada (ECCC) will strive to describe more clearly how relevant departmental actions contribute to the applicable targets under the goal of clean energy by ensuring that appropriate, relevant, and cohesive metrics are provided in departmental strategies and progress reporting, including how they align with the United Nations’ Sustainable Development Goals and their associated targets.</p> <p>Expected implementation date: January 31, 2026.</p> <p><b>Crown-Indigenous Relations and Northern Affairs Canada’s response.</b> Agreed. Crown-Indigenous Relations and Northern Affairs Canada will describe in its departmental strategy and results report how its program contributes to the achievement of the targets under the goal of clean energy, including additional measures where possible. The department has added installed clean energy capacity to its results in the Departmental Sustainable Development Strategy.</p> <p>Crown-Indigenous Relations and Northern Affairs Canada will report on how its program contributed to advancing the United Nations Goals and associated targets, in particular Target 7.2 on increasing renewable energy.</p>

Recommendation	Response
	<p><b>Indigenous Services Canada’s response.</b>            Agreed. Indigenous Services Canada will consult with Environment and Climate Change Canada to further align with guidelines and improve reporting that supports the Federal Sustainable Development Strategy and the Sustainable Development Goal for clean energy. Updates will be included in the next review of the 2023-2027 Departmental Sustainable Development Strategy, expected in early 2025, as well as in the department’s 2025-2026 Departmental Plan and Departmental Results Report. These updates will respect the department’s mandate to support and empower Indigenous peoples to independently deliver services and address socio-economic conditions in their communities, while committing to reduce the reporting burden on First Nations.</p>

## Appendix—Organizations Subject to the *Federal Sustainable Development Act*

On 1 December 2020, amendments to the *Federal Sustainable Development Act* came into force. These amendments significantly expanded the number of federal organizations that must contribute to developing the 2022–2026 Federal Sustainable Development Strategy, including related documents, and report on their contributions through their own departmental sustainable development strategies, among other obligations. As of 1 December 2020, there were around 100 organizations subject to the act.

The addition of these organizations to the schedule of the *Federal Sustainable Development Act* widened the scope of the act’s application and will promote greater coordination of actions related to sustainable development across the federal government.

Under the previous Federal Sustainable Development Act, there were 27 organizations that contributed to the 2019–2022 Federal Sustainable Development Strategy. Collectively, these organizations have developed a total of 648 actions under their 2020–2023 sustainable development strategies that contributed to the federal strategy’s 13 goals, as illustrated in the table below.

Note: The numbers below represent the number of actions per organization and per goal.

Designated organizations listed in the 2019–2022 Federal Sustainable Development Strategy	Effective action on climate change	Greening government	Clean growth	Modern and resilient infrastructure	Clean energy	Healthy coasts and oceans	Pristine lakes and rivers	Sustainably managed lands and forests	Healthy wildlife populations	Clean drinking water	Sustainable food	Connecting Canadians with nature	Safe and healthy communities	Number of actions contributing to the 2019–2022 Federal Sustainable Development Strategy per organization	Number of goals contributed to the 2019–2022 Federal Sustainable Development Strategy per organization
Agriculture and Agri-Food Canada	5	15	0	0	0	0	0	0	0	0	11	0	0	31	3
Atlantic Canada Opportunities Agency	0	3	2	0	1	0	0	0	0	0	0	0	0	6	3
Canada Border Services Agency	0	16	0	0	0	0	0	0	1	0	1	0	6	24	4
Canada Economic Development for Quebec Regions	0	5	2	0	0	0	0	0	0	0	0	0	0	7	2
Canada Revenue Agency	0	23	0	0	0	0	0	0	0	0	0	0	0	23	1
Canadian Heritage	0	13	0	0	0	0	0	0	0	0	0	0	0	13	1
Department of Finance Canada	2	5	0	0	1	0	0	0	0	0	0	0	0	8	3
Department of Justice Canada	0	10	0	0	0	0	0	0	0	0	0	0	0	10	1
Employment and Social Development Canada	0	19	0	0	0	0	0	0	0	0	0	0	0	19	1
Environment and Climate Change Canada	23	15	2	0	2	5	17	5	11	0	0	3	19	102	10

Designated organizations listed in the 2019–2022 Federal Sustainable Development Strategy	Effective action on climate change	Greening government	Clean growth	Modern and resilient infrastructure	Clean energy	Healthy coasts and oceans	Pristine lakes and rivers	Sustainably managed lands and forests	Healthy wildlife populations	Clean drinking water	Sustainable food	Connecting Canadians with nature	Safe and healthy communities	Number of actions contributing to the 2019–2022 Federal Sustainable Development Strategy per organization	Number of goals contributed to the 2019–2022 Federal Sustainable Development Strategy per organization
Fisheries and Oceans Canada	2	16	0	0	0	10	3	0	6	0	3	0	1	41	7
Global Affairs Canada	2	8	4	0	0	0	0	0	0	0	0	0	0	14	3
Health Canada	3	13	0	0	0	0	0	0	0	1	2	0	13	32	5
Immigration, Refugees and Citizenship Canada	0	9	0	0	0	0	0	0	0	0	0	0	0	9	1
Crown-Indigenous Relations and Northern Affairs Canada	4	15	0	0	1	0	0	0	0	0	4	0	5	29	5
Indigenous Services Canada	4	14	0	3	1	0	0	0	0	2	1	0	5	30	7
Innovation, Science and Economic Development Canada	6	21	21	2	0	0	0	0	0	0	0	0	0	50	4
National Defence	0	13	0	0	0	0	0	0	1	0	0	0	2	16	3
Natural Resources Canada	8	5	4	4	9	4	2	3	0	0	0	0	2	41	9
Parks Canada	1	15	0	0	0	2	1	3	2	0	0	4	2	30	8
Prairies Economic Development Canada	0	2	2	0	0	0	0	0	0	0	0	0	0	4	2
Public Health Agency of Canada	1	14	0	0	0	0	0	0	0	1	0	0	0	16	3
Public Safety Canada	6	8	0	0	0	0	0	0	0	0	0	0	1	15	3
Public Services and Procurement Canada	0	16	0	0	0	0	0	0	0	0	2	0	2	20	3
Transport Canada	11	16	1	0	0	11	0	0	0	0	0	0	4	43	5
Treasury Board of Canada Secretariat	0	5	0	0	0	0	0	0	0	0	0	0	0	5	1

Designated organizations listed in the 2019–2022 Federal Sustainable Development Strategy	Effective action on climate change	Greening government	Clean growth	Modern and resilient infrastructure	Clean energy	Healthy coasts and oceans	Pristine lakes and rivers	Sustainably managed lands and forests	Healthy wildlife populations	Clean drinking water	Sustainable food	Connecting Canadians with nature	Safe and healthy communities	Number of actions contributing to the 2019–2022 Federal Sustainable Development Strategy per organization	Number of goals contributed to the 2019–2022 Federal Sustainable Development Strategy per organization
Veterans Affairs Canada	0	10	0	0	0	0	0	0	0	0	0	0	0	10	1
Number of departmental actions per federal goal	78	324	38	9	15	32	23	11	21	4	24	7	62	648	0
Number of organizations contributing to each federal goal	14	27	8	3	6	5	4	3	5	3	7	2	12	0	0

