



NCC - Government of Canada

Natural Areas Conservation Program

2016-2017 Annual Progress Report

April 1, 2016 to March 31, 2017

**NCC – Government of Canada
Natural Areas Conservation Program**

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NCC - Government of Canada Natural Areas Conservation Program 2016-2017 Annual Progress Report

Introduction

The previous Natural Areas Conservation Program (the “Previous Program¹”) was a \$245M federally funded program formalized between The Nature Conservancy of Canada (“NCC”) and the Government of Canada, commencing April 1, 2007 to May 31, 2015. Under the Previous Program, NCC and partners (including Ducks Unlimited Canada and Other Qualified Organizations) were successful in securing 393,224 hectares, of which 299,099 hectares provided habitat for 173 COSEWIC-assessed species at risk and 291,470 hectares provided habitat for 143 SARA listed species at risk.

The Natural Areas Conservation Program (the “Program”) was formalized once more through the signing of an additional Federal Funding Agreement (the “Agreement”) for \$100M between NCC and the Government of Canada on February 20, 2015 for the period covering September 11, 2014 through to March 31, 2019. As per Section 7(b)(iii) of the Agreement, NCC is pleased to present the 2016-2017 Annual Progress Report, reporting accomplishments achieved under the Program between the period of April 1, 2016 to March 31, 2017.

The aim of this public-private partnership between NCC and the Government of Canada is to secure over 130,000 hectares of ecologically sensitive lands, implement Property Management Plan Actions on an estimated 120,000 hectares of lands secured under the Program and Previous Program, monitor the compliance of Conservation Agreements on an estimated 100,000 hectares of lands secured under the Program and Previous Program, and provide for capacity development within the land trust community to enable future involvement in securing and stewarding conservation lands.

Through the ongoing efforts of NCC and its various Canadian partner organizations [including Ducks Unlimited Canada (DUC) and Other Qualified Organizations (OQOs)]²; this unique program continues to successfully leverage the federal government’s significant financial investment by delivering cost-effective, focused and successful conservation results.

In the 2016-2017 period, NCC and its partners (DUC and OQOs) expensed a total of \$22.5M in Program funds³. Approximately \$21.2M of the \$22.5M in Program funds was used to acquire 11,727 hectares of ecologically sensitive land, implement stewardship activities⁴ on 217,906 hectares of land, and achieve communication activities; the remaining \$1.3M in Program funds was utilized for the purposes of Program Coordination and Capacity Development.

¹ “Previous Program” is defined throughout this report as the Agreement executed in 2007 and the Amended Agreement executed in 2013 between NCC and the Government of Canada.

² The term “OQO”, which is referenced throughout this report, is not inclusive of DUC.

³ “Program funds” refers specifically, and is limited to, the financial investment of monies from the Government of Canada under the Natural Areas Conservation Program.

⁴ The term “stewardship activities” refers to Property Management Plan Actions (or Management Plan activities) and Conservation Agreement compliance monitoring that occur both fee simple and Conservation Agreement lands.

The details of this Annual Progress Report are divided into two main sections, each consisting of several sub-sections to address the various reporting elements required under the Agreement. The detailed information for all the content in this report can be found in the accompanying appendices.

Section A: The Natural Areas Conservation Program - Financial Statements: This section reports on the investment and management of the Natural Areas Conservation Program funds.

Section B: The Natural Areas Conservation Program - Program Deliverables: This section highlights conservation achievements and results against the deliverables and purposes set out in the Agreement.

SECTION A - The Natural Areas Conservation Program – Financial Statements

As required under Section 7(b)(iii) of the Agreement, the following presents the financial results of the Program.

1. The Financial Statements of the Natural Areas Conservation Program.

NCC's auditors, Ernst & Young LLP (E&Y), have submitted their financial report, which reports expenses incurred by both NCC and OQOs in the 2016-2017 period, and also cumulatively (September 11, 2014 – March 31, 2017). DUC's auditors (E&Y) have also submitted a financial report for the 2016-2017 period. These reports are attached as Appendix 1A and 1B.

1.1 The Financial Statements of the Program for the 2016-2017 Period.

In the 2016-2017 period, as seen on page 4 of Appendix 1A, total expenditures incurred under the Program amounted to \$22.5M in Program funds (\$18,723,195 incurred by NCC, \$1,397,775 incurred by DUC, and \$1,254,030 incurred by OQOs). An amount of \$20.25M in Program funds was advanced from the Government of Canada to NCC after the 2016-2017 Work Plan was submitted and approved. As per the Agreement⁵, the outstanding \$2.25M⁶ will be issued to NCC upon receipt and acceptance by the Government of Canada of this Annual Progress Report, which is accounted for on page 3 of Appendix 1A.

1.2 The Financial Statements of the Program from September 11, 2014 to March 31, 2017.

NCC, DUC, and OQO projects are extensively documented and rigorously assessed to ensure all projects meet the requirements of the Program before contributions of Program funds are approved and disbursed. Once NCC projects are approved, Program funds are accounted for by NCC regions as deferred funds, and are then expensed as the project proceeds; however, Program funds are not drawn and disbursed until NCC has confirmed that the project will close. Any unused Program funds are allocated to other eligible projects. In the case of OQO projects, project applications are reviewed by an OQO Project Review Committee, and successful organizations are required to submit appropriate documentation to NCC prior to the release of Program funds. DUC projects are submitted to NCC for pre-approval by way of a Conservation Project Summary (CPS) to ensure that all DUC projects meet the requirements of the Program prior to the disbursement of Program funds at the end of the period. Both OQO and

⁵ Section 6(c).

⁶ Page 4 of Appendix 1A shows an outstanding balance of \$4.5M from the Government of Canada as of March 31, 2017; however, \$2.25M was disbursed to NCC shortly after March 31, 2017. The remaining \$2.25M will be disbursed to NCC upon receipt and acceptance of this report by the Government of Canada.

DUC fee simple projects are required to have landholding agreements registered on title in NCC's name to protect the conservation values of the project in perpetuity.

From inception of the Program (September 11, 2014) to March 31, 2017, a total of \$55M in Program funds has been expensed under the Program by NCC, DUC and OQOs, of which approximately \$52M has been expensed on direct Program delivery and almost \$3M on Program Coordination (as recorded on page 4 of Appendix 1A).

2. Statement of Expenditures for Program Coordination in the 2016-2017 Period.

In accordance with Section 5(c)(vii) of the Agreement, NCC is permitted to charge up to \$5M under the Program to support Program Coordination. NCC may charge up to 1.5% of this \$5M (\$75K) to develop capacity to better situate NCC to secure and steward land in the future, specifically the self-assessment against the *Canadian Land Trust Standards and Practices* (CLT S&Ps).

Table 1 below summarizes the amount of Program Coordination expensed with Program funds by NCC, DUC and OQOs in the 2016-2017 period (as seen on page 4 of Appendix 1A). OQOs are not awarded Program funds for the purposes of Program Coordination.

Table 1: Summary of Program Coordination for the 2016-2017 Period.

Organization	Program Coordination
NCC	\$1,125,000 ⁷
DUC	\$66,561
OQO	<i>Not Applicable</i>
Total:	\$1,191,561

3. Consolidated Direct Program Expenditures in the 2016-2017 Period.

Conservation work under the Program continues to be conducted for NCC within NCC Priority Natural Areas (PNAs); for DUC within North American Waterfowl Management Plan (NAWMP) Priority Areas; and for OQOs within PNAs, NAWMP Priority Areas, or other Conservation Planning Frameworks. Table 2 summarizes direct Program delivery expenses by Organization. Additionally, Appendix 2A, 2B and 2C record the amount of Program funds expensed under direct Land Securement Activities and Stewardship Implementation Actions, listed by PNA for NCC, NAWMP Priority Area for DUC, or by region for OQOs. A breakdown of total Program expenditures (including both matching funds and Program funds) by expense category is recorded in Appendix 5.

⁷ As per section 5(c)(vii) of the Agreement, NCC's Program Coordination includes both Program Coordination costs and also Capacity Development costs. In the 2016-2017 period, \$51,946 of the \$1,125,000 was used to expense NCC's Capacity Development costs incurred under the Program.

Table 2: Summary of Total Direct Program Expenditures by Organization Financed with Program funds in the 2016-2017 Period.

Org.	Purchase Price of Land ⁸	Securement Acquisition and Support Costs	Stewardship Implementation Activity Costs	Communication Activity Costs	Capacity Development Costs	Total (\$)
NCC	\$12,463,620	\$1,865,179 ⁹	\$3,944,554	\$449,842	\$-- ¹⁰	\$18,723,195
DUC	\$1,198,201	\$115,248	\$12,765	<i>Not Applicable</i>	\$5,000	\$1,331,214
OQO	\$1,058,400	\$121,399	<i>Not Applicable</i>	<i>Not Applicable</i>	\$74,231	\$1,254,030
Total:	\$14,720,221	\$2,101,826	\$3,957,319	\$449,842	\$79,231	\$21,308,439

4. Matching Contributions

Under the Program, NCC is expected to match the \$100M of federal investment on a 2:1 basis with non-federal contributions. This commitment is managed within NCC at the overall Program level (rather than at the individual project or organizational level), and is achieved by way of contributions from other levels of government and other conservation organizations, as well as through private-sector donations from foundations, corporations and individuals.

NCC is pleased to report that in the 2016-2017 period, NCC and its partners (OQOs and DUC) have matched the \$22.5M in Program funds with approximately \$47.1M in contributions to the Program from other sources (\$40.3M from NCC, and approximately \$3.5M from OQOs and \$3.3M from DUC), resulting in a match ratio of 2.09:1. This match ratio is slightly higher than the 2.02:1 match ratio anticipated in the 2016-2017 Work Plan. Of this \$47.1M in matching contributions, NCC, DUC, and OQOs were successful in raising \$6M in endowment capital from its donors across the country to finance stewardship endowment requirements for properties acquired under the Program. Landowners continue to be a significant source of matching contributions through donations of land, conservation agreements, and development rights. Matching contributions come from various sources, with approximately 19% coming from donations of land, conservation agreements, and development rights. The total match ratio incurred from September 11, 2014 to March 31, 2017 is 2.49:1. NCC and partner organizations will continue to raise and contribute matching funds in order to continue to meet the overall 2:1 match requirement by the end of the Program. See Appendix 5 for a complete breakdown of total expenditures under the Program by expenditure category in the 2016-2017 period.

⁸ The term 'land' refers to fee simple land, conservation agreements, and/or development rights.

⁹ Also includes expenses related to the development and renewal of landscape level conservation plans, other planning approaches, and also interest expenses on borrowed funds.

¹⁰ NCC incurred \$51,946 in Capacity Development expenses in the 2016-2017 period; however, Capacity Development expenses are not considered Direct Program expenditures as per the Agreement, but are instead considered Program Coordination.

SECTION B - The Natural Areas Conservation Program – Program Deliverables

This section of the report provides a summary of the Program results achieved by NCC and its partner organizations (DUC and OQOs) in the 2016-2017 period. In addition to conservation accomplishments, communication aspects of the Program and its accomplishments are also profiled herein as these media opportunities continue to be an important means by which the results of the Program are made known to the public.

5. Priority Natural Areas (PNAs)

Since inception of the Program, conservation work has been focused within a select group of PNAs identified by NCC across the country.

A current list of NCC's 89 approved PNAs and DUC's 74 approved NAWMP Priority Areas is contained in Appendix 3A, and are also mapped in Appendix 3B and 3C respectively. There are no changes to the number of PNAs approved since the list of PNAs was last updated. OQOs continue to work within NCC's PNAs, DUC's NAWMP Priority Areas, or OQO-adopted Conservation Planning Frameworks.

6. Conservation Activities

6.1 Landscape Level Conservation Planning Results (i.e. Natural Area Conservation Plans and other planning approaches)

As per section 5(c)(i) of the Agreement, NCC is permitted to expense up to 2.5% (or approximately \$1.55M) in Program funds to complete landscape level conservation plans (i.e. Natural Area Conservation Plans and other planning approaches). In the 2016-2017 work Plan, NCC anticipated the renewal of 17 landscape-level conservation plans and the creation of 2 new landscape-level conservation plans¹¹. In the 2016-2017 period, NCC expensed \$229,744 in Program funds to complete the renewal of 12 existing landscape-level conservation plans and three new landscape-level conservation plans, and also initiated a species at risk analysis that will help to inform several landscape level conservation plans¹². The 3 landscape-level conservation plans renewals and 1 new plan that were anticipated in the 2016-2017 work plan but were delayed, will instead be completed in the 2017-2018 period.

¹¹ There was an error in the 2016-2017 work plan. 17 landscape-level conservation plans and the creation of 2 new landscape-level conservation should have been 15 landscape-level conservation plans and the creation of 4 new landscape-level conservation, as 2 landscape level conservation plans (Central Cape Breton and Assiniboine Delta) were recorded as plans to be renewed; however, they were new plans.

¹² The species at risk analysis was not originally anticipated in the 2016-2017 work plan. The analysis will span across two periods: 2016-2017 and 2017-2018.

As of March 31, 2017, 85 of the 89 approved PNAs have corresponding landscape level conservation plans; the four¹³ remaining PNAs will have corresponding landscape level conservation plans developed in the 2017-2018 period.

6.2 Land Securement Activity Results within PNAs, NAWMP Priority Areas and/or Conservation Planning Frameworks

Within NCC, each proposed securement project is extensively reviewed in a Conservation Project Summary (CPS) to ensure that all NCC projects meet the requirements of the Program. Once approved, this initial property securement plan is further refined as the project moves forward to closing. This approval process provides clear and consistent decision making and ensures corporate accountability once a commitment has been made to a landowner.

In the 2016-2017 period, NCC secured 7,871 hectares of land within 30 PNAs, (23,839 hectares less than what was originally anticipated in the 2016-2017 Work Plan). The hectares acquired in the 2016-2017 period were less than anticipated in the Work Plan due, in part, to a few projects that were delayed, and of particular note, a 15,000 ha. project in Manitoba whereby negotiations were not successful. Of NCC's total hectares secured during the 2016-2017 period, 844 hectares were also Ecological Gifts under Environment and Climate Change Canada's Ecological Gifts Program. For further details regarding land securement activity results in the 2016-2017 period, see Appendix 4A.

DUC was also successful in securing 3,444 hectares of land within 10 NAWMP Priority Areas in the 2016-2017 period (3,067 hectares more than what was originally anticipated in DUC's 2016-2017 Work Plan due to unanticipated securement opportunities in Manitoba and Saskatchewan). None of the hectares acquired by DUC in the 2016-2017 period were Ecological Gifts under Environment and Climate Change Canada's Ecological Gifts Program. For further details regarding DUC's land securement activity results in the 2016-2017 period, see Appendix 4B.

Eleven projects were secured by eligible organizations under the second round of the OQO Program (launched in December 2015), which resulted in the protection of 412 hectares of ecologically sensitive land. None of the hectares acquired by OQOs in the 2016-2017 period were Ecological Gifts under Environment and Climate Change Canada's Ecological Gifts Program. For further details regarding OQO's land securement activity results in the 2016-2017 period, see Appendix 4C.

Table 3 below provides a breakdown of hectares secured by both acquisition type and transaction type in the 2016-2017 period by all three organizations (NCC, DUC, and OQOs).

¹³ The following four landscape level conservation plans will be developed in the 2017-2018 period: North East Boreal (AB), West Boreal Transition (SK), Mingan Archipelago (QC) and Prairie Pastures (MB/SK).

Table 3: Summary of Land Securement Activity by Acquisition Type in the 2016-2017 Period.

Org.	Fee Simple Ha.		Conservation Agreement Ha.		Other Development Rights Ha.		Total Ha. ¹⁴	Transactions
	P	D	P	D	P	D		
NCC	6,714	1,047	82	27	0	0	7,871	52
DUC	1,152	0	2,293	0	0	0	3,444	36
OQO	409	3	0	0	0	0	412	11
TOTAL	8,275	1,050	2,375	27	0	0	11,727	99

P = Purchase; D = Donation

6.3 Stewardship Implementation Actions (SIAs) by PNAs and NAWMP Priority Areas in the 2016-2017 Period.

An aim of the Program (Section 3(a) of the Agreement) is to implement Property Management Plan (PMP) actions on an estimated 120,000 hectares of fee simple land secured under the Program or Previous Program by NCC. NCC is pleased to report that in the 2016-2017 period, PMP actions were implemented on 140,447 hectares of fee simple land owned by NCC across 60 PNAs (28,180 more hectares than was anticipated in the 2016-2017 Work Plan). DUC implemented Management Plan activities on more than 12,985 hectares of land (within 26 NAWMP Priority Areas) secured under the Program or Previous Program on fee simple land owned by DUC (12,445 more hectares than was originally anticipated in the 2016-2017 Work Plan). Under Section 5(c)(iv) of the Agreement, OQOs are not awarded funds under the Program for the purposes of implementing stewardship actions. For further details regarding the implementation of PMP actions and Management Plan activities by NCC and DUC in the 2016-2017 period, please see Appendix 4A and 4B respectively.

An additional aim under Section 3(b) of the Agreement is to complete, by the end of the Program, Conservation Agreement Compliance Monitoring on an estimated 100,000 hectares of land secured under the Program and Previous Program. In the 2016-2017 period, NCC successfully carried out Conservation Agreement Compliance Monitoring on more than 58,820 hectares of land (within 37 PNAs) secured by NCC under the Program and Previous Program (which is 10,236 hectares more than was originally anticipated in the 2016-2017 Work Plan). DUC also completed Conservation Agreement Compliance Monitoring on more than 5,703 hectares of land (within 8 NAWMP Priority Areas) secured under the Program or Previous Program, which is 5,433 hectares more than originally anticipated in the 2016-2017 Work Plan. Under Section 5(c)(iv) of the Agreement, OQOs are not awarded Program funds to complete Compliance Monitoring on Conservation Agreement properties. Please see Appendix 4A and 4B for more information

¹⁴ The sum of each Org.'s hectares may not equal the amount recorded under Total Ha. in Table 3 due to rounding. Please see Appendix 4A, 4B, and 4C for further details.

regarding Conservation Agreement Compliance Monitoring completed in the 2016-2017 period.

6.4 Species at Risk¹⁵

As part of the implementation of Property Management Plans and general stewardship of NCC's protected lands, species identified to be at risk using various measurements remain an extremely important metric tracked by NCC and are reported under the Program. NCC first confirms species at risk that are known to exist on NCC properties. Identification and confirmation of species at risk occur prior to acquisition, during the Baseline Inventory, and through ongoing monitoring of properties. NCC reviews reports from each region of the country based on calendar-dated information in order to identify species at risk with confidence. With regards to NCC properties secured only in the 2016-2017 period, 12 COSEWIC-assessed species at risk were observed on 3,488 hectares of land; and 6 SARA listed (schedule 1) species at risk were observed on 2,986 hectares of land¹⁶. For NCC properties secured under the Program and Previous Program as of March 31, 2017, a total of 198 COSEWIC-assessed species at risk were identified on 313,751 hectares of land. Additionally, for NCC properties secured under the Program and Previous Program as of March 31, 2017, a total of 154 SARA listed species at risk were identified on 301,954 hectares of land secured by NCC¹⁷.

DUC focuses on securement, restoration, and management activities on wetland and upland habitats, which provide important breeding, foraging, resting, brood rearing and migratory/stopover locations for many species including at-risk and vulnerable species. As part of reporting on habitat securement under the Program, DUC assesses the number of COSEWIC-assessed and SARA listed species (restricted to birds, mammals, amphibians, and reptiles) that potentially occur on DUC secured, restored and managed lands based on the best available species range maps based on data from Birdlife International for birds and NatureServe for other species. DUC does not conduct property specific surveys of COSEWIC- assessed and SARA listed species.

OQOs do not report species at risk information for properties acquired under the OQO Program.

¹⁵ "Species at Risk" includes only species listed under SARA (schedule 1) or COSEWIC-assessed as Endangered, Threatened, or Special Concern on properties acquired under the Program or Previous Program.

¹⁶ Species at risk observed on properties secured in the 2016-2017 fiscal year does not necessarily contribute to an increase in the overall total number of different species at risk observed on NCC properties, in part because the different species at risk observed on a property secured in 2016-2017 may have already been observed on properties secured previously under the Program or Previous Program (and, therefore, have already been accounted for in the total number of species at risk observed). If a species at risk was observed on property acquired prior to the 2016-2017 period, this could contribute to the change in total hectares.

¹⁷ It is possible that the hectares of land for which SARA-listed species at risk had been observed are also accounted for in the hectares of land for which COSEWIC-assessed species at risk have been observed. However, hectares and the number of species at risk can fluctuate (increase and decrease) year over year, particularly if a species' SARA-listed status or COSEWIC-assessed status has changed.

7. Communications Activities

In the 2016-2017 period, NCC was able to undertake communications and promotional activities at a more energetic pace, which allowed NCC to deliver more communication activities than projected in the work plan. In the 2016-2017 work plan, NCC anticipated the completion of 38 communication activities and DUC anticipated the completion of 11 communication activities. Communication activities for OQO were not anticipated in the work plan. In the 2016-2017 period, NCC was successful in completing 121 communications activities (such as installing property-based recognition signage, holding formal/informal events, and promoting the Program through social media, etc.) and DUC was successful in completing 20 communication activities. OQOs completed 14 communication activities in the 2016-2017 period. Further details pertaining to NCC, DUC and OQO communication activities are shown in Appendix 6.

Media exposure for the Program grew throughout the year. Proactive media relations yielded more than 1,400 media “hits”, which represents approximately 34% of all of NCC’s media exposure.

7.1 Communications with Government Stakeholders.

To support its government stakeholders, NCC’s activities have focused on informing Members of Parliament (MPs) of conserved properties in their ridings and building awareness of the Natural Areas Conservation Program among Parliamentarians.

Notification letters were sent to 47 Members of Parliament (MPs) informing them of newly conserved properties in their ridings. Over the course of the 2016-2017 period, NCC received correspondence from two MPs (or their staff), inquiring about conserved properties in their ridings. These inquiries were responded to promptly and in all cases additional materials and information were sent. Often an NCC staff member was able to engage directly with the MPs constituency office.

As required under Appendix E – Section 6.3 of the Agreement, a full-colour Impact Report, outlining the Program’s cumulative results and regional stories since April 1, 2007, was prepared during the 2016-2017 period. It was distributed in the fall of 2016 to all Parliamentarians and many Program stakeholders. The Impact Report is available online ([What We Do: Natural Areas Conservation Program](#)), and copies were shared with Environment and Climate Change Canada for their distribution. The next Impact Report is in production and will be ready for distribution in the fall of 2017, which will celebrate the success of 10 years of the Natural Areas Conservation Program.

7.2 Project Announcements.

Thirty-five projects were announced during the 2016-2017 period, which are included in the number of communication activities recorded in Appendix 6. Local Members of Parliament (including 2 Cabinet Ministers) participated in-person in project announcements. Quotes from the Minister of Environment and Climate Change and local MPs were included in all news releases (English and French), relating to property announcements.

These announcements provided an opportunity for significant media outreach and public awareness building of the Natural Areas Conservation Program.

7.3 General NACP Awareness.

Aside from property announcements, NCC has generated exposure by placing stories that promote the cumulative impact of the Program on our corporate website, in donor-focused publications, and in traditional and social media. In particular, NCC is very active in the social media space and has ensured virtual word-of-mouth recognition of the Program. NCC has nearly 105,000 followers on Facebook and nearly 35,000 on its two Twitter accounts.

NCC's corporate website (English and French), which includes a large section dedicated to the Program, incorporates the Environment and Climate Change Canada logo on both the home page and program-specific pages. The Program is recognized in the Partners section of the website. The OQO program has a separate subsection of the NACP chapter on NCC's corporate website.

NCC produced and placed a two-page full-colour print advertisement in *The Globe and Mail* on November 4th, 2016, designed to generate awareness of the Program. An editorial in the advertisement cites the importance of the Natural Areas Conservation Program.

NCC continues to promote the Program in general to the public through media relations, as well as in NCC's own donor-focused publications. The Program and the Minister of Environment and Climate Change was featured in NCC's Magazine, Summer 2016, with a distribution to more than 50,000 supporters. The Program has also been profiled in other NCC internal and external publications, including NCC's *Annual Report* (print and online).

8. Capacity Development

NCC is permitted to expense up to a maximum of 1.5% (\$75,000) of its Program Coordination allocation (as per Section 5(c)(vii) of the Agreement) to complete an assessment of NCC's standards and practices against the Canadian Land Trusts Standards and Practices (CLT S&Ps), determine areas of improvement, and take necessary action to increase compliance with the CLT S&Ps.

Using the Assess Your Organization (AYO) workbook¹⁸, NCC completed a self-assessment against the 91 practices of the Canadian Land Trust Standards and Practices. As a result of the self-assessment, NCC obtained a score of 3.7 out of a maximum of 4 (maximum is determined in the AYO workbook tool), meaning that NCC conforms to the CLT S&Ps for the vast majority of its operations and practices. There were no issues identified that could impact NCC's ability to deliver its mission. NCC organizational strength (Part 1 of the CLT S&P) had

¹⁸ The Assess Your Organization (AYO) workbook is a tool designed to complement the CLT S&Ps and to support land trusts wishing to undertake an analysis of their organization's progress toward implementing the CLT S&Ps.

obtained a score of 3.9, indicating excellent governance practices. NCC land transactions (Part 2 of the CLT S&P) scored 3.3. Although lower, it is still a great indication of the quality of NCC's conservation operations.

Of the practices in which NCC was not 100% compliant (28 of the 91 practices), each practice only requires minor adjustments in order to achieve full compliance. Furthermore, NCC management was cognizant of the identified deficiencies, and modifications are either underway or planned. The majority of the changes involve improving internal tracking mechanisms and standardization of existing processes, and to a lesser extent, updating selected policy documents. A few examples of areas which need improvement include clarifying criteria for engagement in public issues beyond land conservation, adapting NCC's appraisal policy, and further documenting Conservation Agreement drafting guidance.

In the 2016-2017 period alone, \$51,946 was expensed to complete the self-assessment (using the AYO workbook tool) and determine areas of improvement. In order to fully achieve compliance with the CLT S&P, NCC has established an organization-wide work plan, with a completion date of no later than March 31, 2019.

DUC is also permitted under the Program to expense up to a maximum of 1.5% (\$75,000) of its \$5M allocation on developing capacity and adhering to the CLT S&Ps. In the 2016-2017 period, DUC expensed \$5,000 in Program Funds to increase compliance with Standard 6 (Financial and Asset Management) – Practice B (Financial Records) of the CLT S&Ps.

A document was produced by DUC's Finance & Risk Committee, which identified the need to enhance their financial record keeping practices in order to fully achieve compliance with Standard 6 of the CLT S&Ps. The need for increased functionality and improved accountability led DUC to launch its Business System Transformation (BST) project. As part of the BST project, DUC is implementing the following financial modules: general ledger, accounts payable, accounts receivable, fixed assets and cash/bank. In the 2016-2017 period, DUC staff had incurred \$15,125 in staff time on the BST project, which included time spent on project management, coordination, planning, and development of the BST project. A portion of Program funds (\$5,000) was used to off-set staff time costs.

OQOs are also permitted to expense up to 2.5% (\$125,000) of the \$5M OQO allocation under the Program to increase compliance with the CLT S&Ps. Therefore, in April 2016, NCC launched the first round of the OQO Capacity Development Funding Program, which provided financial assistance to eligible organizations that made improvements to a subset of practices selected from the CLT S&Ps. Eligible organizations were permitted to choose any number of practices (minimum of one to maximum of 15) to complete from a sub-set of 15 practices listed below:

1. Practice 4A - Dealing with Conflicts of Interest
2. Practice 3F - Board Approval of Land Transactions
3. Practice 9J - Purchasing Land
4. Practice 9H - Title Investigation and Subordination
5. Practice 9G - Record Keeping
6. Practice 9E - Conservation Agreement Drafting
7. Practice 8B - Project Selection and Criteria

8. Practice 12D - Monitoring Land Trust Properties
9. Practice 12C - Land Management
10. Practice 12A - Funding Land Stewardship
11. Practice 11I - Conservation Agreement Amendments
12. Practice 11E - Enforcement of Conservation Agreements
13. Practice 11C - Conservation Agreement Monitoring
14. Practice 11B - Baseline Documentation Report
15. Practice 11A - Funding Conservation Agreement Stewardship

Overall, the OQO Capacity Development Funding Program generated much attention and was well-received by the land trust community. In the 2016-2017 Work Plan, NCC anticipated 10 application forms and the disbursement of \$50,000. The results of the program exceeded NCC's expectations, as in the 2016-2017 period, 19 application forms were received¹⁹ and \$74,231 in Program funds were disbursed to 18 organizations. The remaining funds (\$50,769) will be disbursed under the second round of the OQO Capacity Development Funding Program (2017-2018). Table 4 outlines (by province) the number of organizations that were successful in completing practices under the OQO Capacity Development Funding Program, the amount of funds disbursed, and the number of practices completed in total.

Table 4: Number of successful eligible organizations (by province) under the OQO Capacity Development Funding Program (2016-2017).

Province	Number of successful Organizations	Amount of Program Funds disbursed	Number of practices completed
BC	3	\$13,112	9
ON	4	\$16,099	14
QC	8	\$35,853	30
NB	2	\$7,503	8
NS	1	\$1,665	5
TOTAL:	18	\$74,231²⁰	66

9. Conclusion

In reviewing the conservation results achieved by NCC and its partners (DUC and OQOs) under the auspices of this unique public-private partnership program, it is clear that much has been achieved as of the third year of the Program. Between September 11, 2014 and March 31, 2017, over 37,000 hectares of land have been protected by NCC and partner organizations (DUC and OQOs) through land securement activities and these lands are being managed for their best conservation outcomes. Property Management Plan actions and Management Plan

¹⁹ 19 organizations applied, but only 18 successfully completed practices, as one organization did not complete any practices due to resource issue.

²⁰ The sum of the Amount of Program Funds Disbursed is off by \$1 in comparison to the Total amount of Program Funds disbursed due to rounding.

activities have been implemented on more than 154,000²¹ hectares secured by both NCC and DUC under the Program and Previous Program in order to restore property and negate threats. Additionally, compliance monitoring has been completed by NCC and DUC on more than 123,000²² hectares of Conservation Easement properties secured under the Program and Previous Program, to monitor restrictions and conservation purposes.

NCC also continues to make every effort to ensure the Program is recognized publicly for the on-the-ground results that have been achieved. The Program will continue to focus on securement activities within PNAs, NAWMP Priority Areas, and Conservation Planning Frameworks, already identified as critically important to the conservation of Canada's biodiversity, through to the end of the Program (March 31, 2019). The leveraging of significant private investments, in addition to the use of public monies, to directly acquire and steward some of Canada's most ecologically important and at-risk land, has proven to be a valuable tool for conservation.

²¹ 154,000 hectares represents the number of hectares on which both NCC and DUC implemented PMP Actions and DUC Management Activities. Ongoing stewardship actions and management activities may occur on the same hectares year over year. The number of hectares for which PMP Actions and Management Activities are implemented may fluctuate each year as NCC and DUC continue to complete surveys and update the size (ha.) of properties.

²² 123,000 hectares represents the number of hectares monitored cumulatively year-over-year between Sept 11, 2014 and April 1, 2017.