

# Offsetting Policy

## INTENT

- a. To establish definitions and guidelines for offsetting (may also be referred to as compensation) projects and outline Freshwater Conservation Canada's approach to these projects
- b. To establish the roles and responsibilities with regards to offsetting projects
- c. To protect the organization from risks and liability associated with offsetting, and protect our professional reputation with regulators

## TIMING (WHEN TO USE)

For use by Freshwater Conservation Canada staff, board and chapters when approached by offsetting proponents and their representatives, and while planning, implementing, and reporting on offsetting projects.

## DEFINITIONS

Offsetting: Offsetting is defined as any works required as part of an existing or pending authorization and approved offsetting agreement, under provincial or federal legislation e.g. the Fisheries Act.

Compensation: Compensation is defined as works intended to compensate for lost habitat area or attributes and may or may not be associated with an authorization or a formal requirement under federal or provincial legislation.

## GUIDELINES

Freshwater Conservation Canada recognizes that providing habitat offsetting services represents a valuable opportunity for funding rehabilitation work across Canada and ensuring that the rehabilitation works are impactful and sustainable. Each offsetting agreement or project is unique in terms of the project delivered by Freshwater Conservation Canada and the risk assumed.

Freshwater Conservation Canada reserves the right to refuse to enter into any agreement to deliver offsetting works for any reason. Each offsetting request is evaluated independently.

Freshwater Conservation Canada considers and manages any form of agreement to complete restoration works for offsetting purposes as a contribution agreement regardless of the type of document signed.

## 1. Project Management

Due to the high-risk nature of offsetting, including legal and financial risk, offsetting projects can only be undertaken by Freshwater Conservation Canada staff. If approached, volunteers and Chapters are welcome to refer the contact(s) to Freshwater Conservation Canada staff to ensure that any potential project development related to the offset is compliant with Freshwater Conservation Canada's values and policies and is covered by the organization's liability insurance. Chapter assistance with offsetting projects is welcome, when it aligns with point 2, below.

## 2. Financial Contributions to Offsetting Projects

Offsetting represents a legal obligation to rehabilitate habitat due to the destruction of habitat. Thus, offsetting projects are by definition either punitive or associated with an authorization under federal or provincial legislation. For this reason, donated dollars (including grants) may not be used for any aspects of an offsetting project, including but not limited to planning, implementation, maintenance, and reporting. Financial contributions related to offsetting are not tax deductible. Volunteers may support the implementation of offsetting projects, but their value must be reflected in Freshwater Conservation Canada remuneration for the project.

## 3. Marketing and Communications Relating to Offsetting Projects

Because offsetting projects are a legal requirement, offsetting projects will not be marketed or celebrated by Freshwater Conservation Canada or project partners. Projects which include an offsetting component, from which additional dollars and investment of time and resources produced a rehabilitation outcome larger than solely the required offset may be marketed, ensuring that any components required as an offset are identified and described as such. Project confidentiality will be honored as requested.

## 4. Protecting Investment in Project Identification and Development

Development of offsetting projects requires significant time and resources by Freshwater Conservation Canada staff and partners. Detailed descriptions of rehabilitation measures and locations will not be provided prior to Freshwater Conservation Canada entering into a formal. Examples of a formal agreement could

include a letter of intent, memorandum of understanding, or a contractual agreement and/or deposit.

---

Effective Date: January 01, 2023

Author: Silvia D'Amelio

Revised Date: March 09, 2023