

The following questions provide guidelines for the completion of human rights due diligence for a CCC transaction in addition to the responses provided by the exporter pursuant to the Due Diligence Questionnaire (DDQ).

### **Triggers for further assessment**

- 1) Is there construction?
  - Does the project involve construction or infrastructure?

In **infrastructure** projects, CCC is committed to assessing and managing **environmental and social impacts**.

In addition to the ***UN Guiding Principles***, internationally recognized standards specific to this sector, such as the IFC Performance Standards and the Equator Principles, capture areas that may be significantly impacted by CCC's transactions, namely: risk management, labour, resource efficiency, community, land resettlement, biodiversity, indigenous peoples and cultural heritage.

CCC's capital projects often involve **Export Development Canada** and international banking institutions that adhere to these international standards, which are incorporated into CCC's Environmental Assessment Process.

**CCC places the obligation to demonstrate compliance in this sector on its exporters.**

## **Environmental and Social Risks**

The Government of Canada enacted the *Canadian Environmental Assessment Act, 2012* and its regulations (CEAA) in order to exercise leadership within Canada and internationally in anticipating and preventing the degradation of environmental quality, while at the same time ensuring that economic development is compatible with the high value Canadians place on environmental quality.

Through CEAA, the federal government is committed to supporting sustainable development by ensuring that federal authorities are not involved in Projects that are likely to cause significant adverse environmental effects. CEAA applies to Projects within Canada and outside Canada where a federal authority, such as CCC is involved.

CCC is expected to ensure that it does not commit to acting as prime contractor for Projects that will cause significant adverse environmental effects, including social impacts, and that this is determined prior to irrevocable decisions being taken. The Environmental Assessment Policy was established to support the Government of Canada's commitment to:

- (a) Ensure that projects are considered in a careful and precautionary manner before CCC takes action in connection with them, in order to ensure that such Projects do not cause significant adverse environmental and social effects;
- (b) Encourage CCC and its employees to take actions to promote sustainable development and thereby achieve or maintain a healthy environment and a healthy economy;
- (c) Ensure that CCC carries out its environmental responsibilities in a coordinated manner with a view to eliminating unnecessary duplication in the environmental assessment process;
- (d) Ensure CCC employees are aware of their environmental obligations; and
- (e) Ensure CCC has an effective mechanism to assess, evaluate and address the environmental effects of CCC Projects.

In instances where CCC acts as agent for a foreign buyer, CCC shall ensure adherence to Environmental laws/regulations which govern the principal/buyer or international standards imposed by financial institutions. In situations where CCC acts as an agent for other government departments (OGDs) such as Global Affairs Canada (GAC), CCC shall ensure that OGDs adhere to CEAA.

In situations where CCC is involved in a Project that includes another Canadian institution, such as Export Development Canada, or an international financing institution, these institutions or the foreign buyer itself may also be applying environmental standards. Where possible, the CCC officer should attempt to avoid the duplication of services in compliance with this policy, while still assuring that the Project will not result in significant adverse environmental effects.

**Reference-** *CCC Environmental Assessment Instruction*

### Health and Safety

We promote and expect our exporters to respect the health and safety of their employees and their subcontractors, particularly their local subcontractors and the supply chain of subcontractors when working in foreign markets. We require our exporters to provide and maintain a safe, healthy and productive work site, by addressing and remediating identified risks of accidents, injury and health impacts.

### Respect for Indigenous Peoples

CCC's due diligence in infrastructure projects recognizes the specific challenges that may be faced by indigenous peoples in the countries in which we operate. We support the principle of free, prior and informed consent of indigenous peoples and its implementation throughout the life cycle of a project.

### Forced Labour and Human Trafficking

CCC is against all forms of forced labour including child labour, modern forms of slavery and human trafficking. CCC expects exporters to act against such practices as identified in their operations and throughout their supply chain.

The *Human Rights Due Diligence Exporter Questions for Infrastructure Projects* are to be used as guidance for the completion by the Project Officer of risk assessments for infrastructure transactions. **Each transaction is to be reviewed on a case-by-case basis.**

***Note: Not all issues can be anticipated during due diligence and initial project or contract execution. Issue identification can occur throughout the Project lifecycle.***

## Document History

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