



SHIP-SOURCE OIL POLLUTION FUND

Five-year Strategic Plan Review
2016-2021



Ship-source Oil
Pollution Fund

Caisse d'indemnisation des dommages dus à la
pollution par les hydrocarbures causée par les navires

Canada 

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MESSAGE FROM THE ADMINISTRATOR

Dear Stakeholders,

I am pleased to introduce this Five-year Strategic Plan Review. This report captures the elements that have been achieved or put into place over the first five years of my mandate (2016-2021) along three strategic orientations:

1. Provide access to justice;
2. Be supported by a professional and motivated team linked to a vast web of expertise;
3. Be an efficient and transparent organization, both agile and structured.



These orientations are meant to address the main strategic risks identified when I was first appointed in 2016.

The 2020-2021 Annual Report was already the fifth one I submitted as Administrator of the Fund. This milestone allows us to look back at the progress accomplished over this five-year period.

These recent years have been very active. The number of claims submitted has never been higher, making the 2016-2021 years a record in the 32-year history of the Fund. To facilitate the claims process for claimants, three new claims manuals were published. An in-house legal team has been established and now manages more recovery than ever before. The Fund has also significantly increased outreach activities and hosted new webinars.

The 30th anniversary of the Fund was used to increase awareness. It included a well-attended conference held in Ottawa with the main partners and stakeholders. The goal of reaching all provinces and territories was also achieved in the wake of the 30th anniversary year.

We continue collaborating with various partners and stakeholders to increase awareness of the Fund. While the Canadian Coast Guard (CCG) remains our main claimant, new types of claimants have submitted claims for the first time.

Although COVID-19 had an impact on multiple aspects of our activities and tested the agility and resiliency of our organization, we were able to overcome most of the issues.

Every year, the activities of our office have been reported in the annual report based on the statutory mandate, rather than on strategic orientations. In the 2020-2021 Annual Report, we included a compressed version of the present review under “2016-2021 Strategic Orientations and Results”. However, this publication is the full version.

I would like to offer my sincere thanks for your interest in the Fund as we continue to compensate victims of oil pollution damage caused by ships and boats.

Sincerely,

A handwritten signature in black ink, appearing to read "Anne Legars". The signature is fluid and cursive, with a long horizontal stroke at the end.

Anne Legars, Administrator
Ship-source Oil Pollution Fund

CONTEXT AND BACKGROUND

Information about the Fund

The Ship-source Oil Pollution Fund (the Fund) is available to compensate victims of oil pollution damage caused by any type of oil, from any type of ship or boat, anywhere in Canadian waters. The Fund is a special purpose account in the accounts of Canada, established under Part 7 of the *Marine Liability Act* (the MLA).

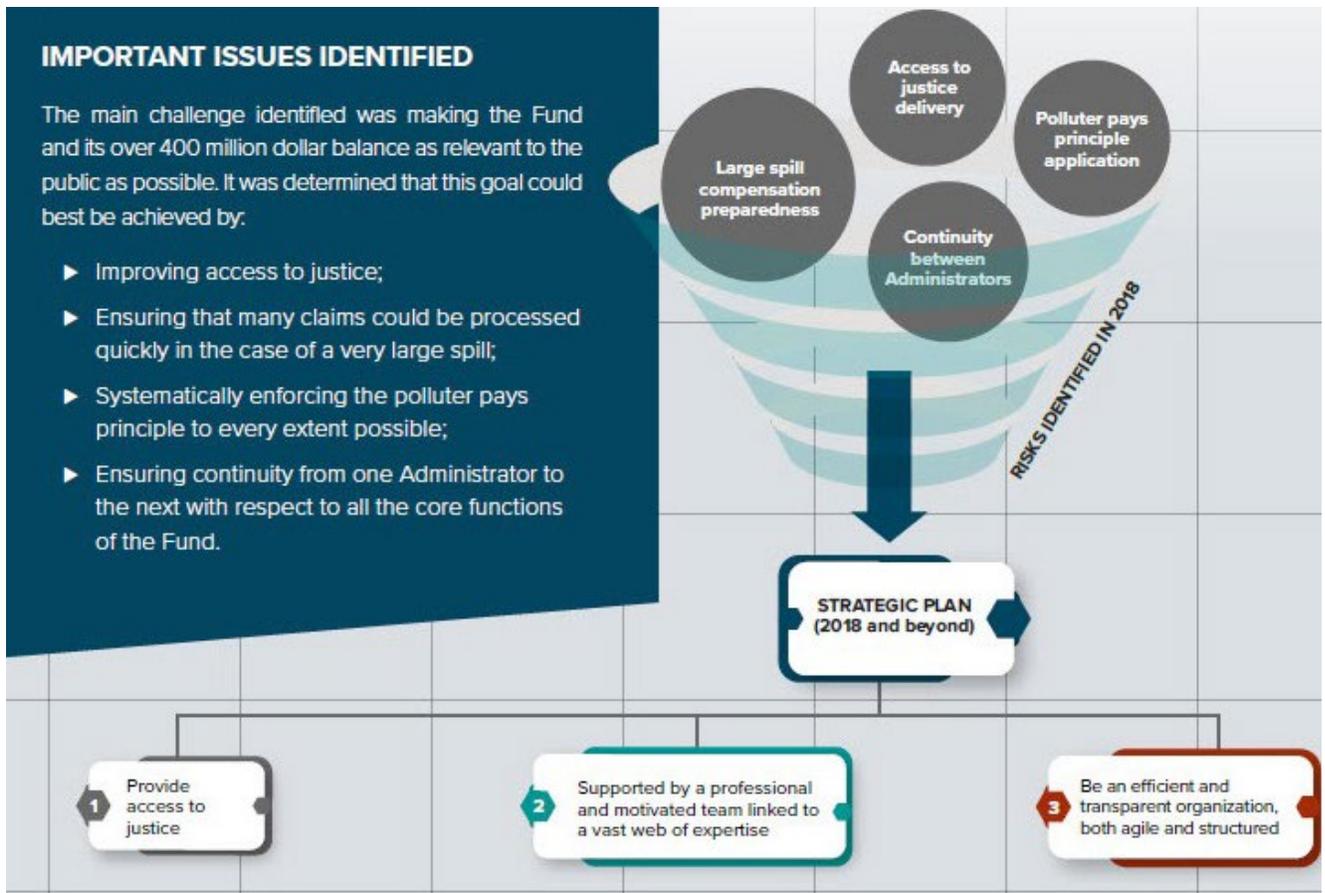
Canada's compensation regime is based on two principles. First, compensation should be available to those affected by an incident. Second, shipowners are responsible for oil pollution incidents, regardless of fault. This is the polluter pays principle.

Those who suffer damages can submit a claim directly to the Fund. Damages can include costs incurred to prevent, mitigate or remedy oil pollution damage. The Fund also covers mystery spills – oil spills from an unknown ship. We assess and offer compensation for eligible claims. Once a claimant receives payment, we take all reasonable measures to recover from the shipowner or other responsible persons.

Alternatively, those who suffer damages can also choose to negotiate with the shipowner, or sue. If a claimant commences a lawsuit, the Administrator becomes party to the lawsuit, providing an extra layer of protection to the claimant.

About the Strategic Plan

The Strategic Plan was formalized in 2018. It was constructed based on analysis carried over the two previous years and building on several earlier initiatives. The chart below explains the issues identified and the elements of the Strategic Plan to address them.



Summary of the Strategic Plan orientations

The flowcharts below summarize each orientation of the Strategic Plan:

- Description of the orientation;
- Actions taken;
- Assessment of results; and
- Next steps, including the 2021-2022 strategic plan adjustments.

ACCESS TO JUSTICE FOR CLAIMANTS



Description of the orientation

Improving access to justice for claimants by:

- ▶ Making the existence of the Fund known to potential claimants;
- ▶ Ensuring that the claims decision-making processes are clear and swift;
- ▶ Developing readiness to provide compensation in all situations;
- ▶ Increasing diversity of claimants and use of the Fund by Indigenous claimants;
- ▶ Enforcing the polluter pays principle, by deploying all reasonable efforts to recover from the polluter, resulting in lifting this task off the claimant's shoulders.



What has been done

Making the existence of the Fund known to potential claimants by:

- ▶ Systematic outreach across Canada;
- ▶ Delivering presentations, holding information booths, publishing articles, interviews, etc.;
- ▶ Opening an account and being active on Twitter and LinkedIn.

Building a variety of communications material:

- ▶ Ensuring readability and accessibility of all products and new infographics;
- ▶ Publishing three claims manuals (General, Small Claims, Special Claims), and sample claims;
- ▶ Hosting webinars and publishing Q&A documents;
- ▶ Holding workshops;
- ▶ Implementing new claimant-centered policies and processes.

Preparedness for compensation following a large spill:

- ▶ Co-organizing three Transboundary Oil Spill Liability and Compensation Workshops;
- ▶ Working with international groups and organizations;
- ▶ Participating in workshops on Incident Command System (ICS) response;
- ▶ Building a pool of marine experts.

Preparedness for claims from the fisheries sector:

- ▶ Publication of the *Compensation Handbook for Fishers, Aquaculturists, and All Involved in Related Activities*, and hosting of webinars;
- ▶ Research on section 107 of the MLA;
- ▶ Developing a list of potential experts.

Improving service to Indigenous claimants:

- ▶ Statistical research on Indigenous interaction with the Fund;
- ▶ Participating in over 20 engagement events, meetings or initiatives;
- ▶ Hiring of an Indigenous expert consultant;
- ▶ Hosting a panel of the 30th anniversary conference on access to justice for coastal and Indigenous communities;
- ▶ Developing a pool of experts.

Application of the polluter pays principle:

- ▶ Systematization of recovery effort, including going to court to enforce and clarify the liability regime;
- ▶ Some 45 court cases were initiated;
- ▶ New in-house legal department with a lead counsel, a lawyer, and students on a term basis.



Assessment

Increase in claims submitted, amount claimed and amount paid.

Increase of claimants' diversity.

Access to Justice Index score improvement.

Faster time to issue compensation.

Better recovery from the polluter.

Increase of Indigenous representativeness in the claims portfolio.



What's next (2021-2022 strategic plan adjustments)

Renew outreach efforts to continue increasing the number of claims, and diversity of claimants.

Implement additional measures listed in the Access to Justice Index.

Continued participation in management of large spills (TLC, ICS) workshops and the development of pools of external expertise.

Continued discussion with Indigenous groups, retain expertise and increase literacy in Indigenous matters.

PROFESSIONAL TEAM, LINKED TO A WEB OF EXPERTISE



Description of the orientation

Recruiting, developing and retaining:

- ▶ key in-house expertise;
- ▶ a robust network of external resources via the procurement of professional services and engagement with the stakeholders who have relevant expertise.

Measures of success: the ability to fill available positions (vacant positions) and retain staff (retention rate).



What has been done

Development of new positions (job descriptions and classification, and benchmark of salaries against the Ottawa job market), and hiring through competitions.

57 people have worked for the Administrator since her appointment:

- ▶ 23 as employees, including 18 as shared services;
- ▶ 14 as students, including 4 articling students;
- ▶ 20 as consultants, including 8 marine experts.

Implementation of a new “3-pillar” structure (see organizational chart p. 24).

Development of pools of contractual resources and development of a student program.

Development and upgrade of human resources policies.

Networking with “communities of practice” (legal, compensation, insurance, justice administration, small agencies, etc.).



Assessment

All positions have been filled (no vacant position); 18 staff plus 14 students hired, onboarded and trained, managed, coached and assessed over the period

Retention rate: from 2018, the retention rate of permanent employees has been high.

The Special Examination report found that the Office of the Administrator met the examination criteria for human resources systems and practices.



What's next (2021-2022 strategic plan adjustments)

- ▶ A formal human resources plan, linked to the strategic plan, will be developed.
- ▶ Formal training plans are being developed for the various profiles.

EFFICIENT AND TRANSPARENT ORGANIZATION, AGILE AND STRUCTURED



Description of the orientation

Engaging in a continuous improvement process and being open to challenges coming from inside or outside the organization.

Documenting the Administrator's decisions, which are based on reasonability, while developing policies when needed.

Measures of success:

- ▶ ability to adjust to changing circumstances (agility);
- ▶ annual ratio of compensation paid vs. office and management costs (efficiency).



Assessment

The ratio of the amount paid to claimants vs. office and management costs improved from 0.5 in 2011–2016 to 1.6 in 2016–2021.

Delays in adjusting to changing circumstances have been relatively short, including adjusting to COVID-19, retirements, long-term leaves, new positions, changes in the organizational chart, etc.

The Special Examination report found that:

- ▶ the governance structure and responsibilities are clearly defined, documented and communicated;
- ▶ the internal management is effective;
- ▶ the Administrator identifies, assesses, monitors and reports risks identified in achieving strategic objectives.



What has been done

- ▶ Implementation of a "3-pillar" structure.
- ▶ Use of a simplified procurement process.
- ▶ Information technology assessment, development and implementation of a 3-year IT plan (2017-2020).
- ▶ Implementation of new management software applications.

▶ Published all reports since 1989 and from the Marine Pollution Claims Fund (1974-1989).

- ▶ Published statistical research papers.
- ▶ Included key data and statistics in the annual reports.
- ▶ Hosted a 30th anniversary conference and a celebration year.
- ▶ Compiled and published all incident summaries in the Fund's history.
- ▶ Publication of offer letters issued since April 2019.
- ▶ Use of social media and publishing a monthly newsletter.

▶ Flexibility and synergy between the Funds for efficient staffing resources sharing.

▶ Shared student programs and pools of resources to enhance capacity and adjust to work fluctuation.

▶ Delegation framework involving the Deputy Administrator and directors.

▶ Documentation and development of policies and processes.

Efficiency

Transparency

Agility

Structure



What's next (2021-2022 strategic plan adjustments)

Conduct a privacy impact assessment, carry out an information management and information technology assessment and develop an information technology plan (as per the recommendation of the Special Examination).

Develop a post-COVID workplace policy to manage remote work.

Try to gain access to the federal government's pools of prequalified suppliers.

STRATEGIC PLAN ORIENTATION #1: ACCESS TO JUSTICE FOR CLAIMANTS

The Fund was created to provide access to justice for those impacted by ship-source oil pollution. The MLA provides three essential features to achieve this goal:

- **Feature 1:** Funds are readily available to provide compensation to claimants.
- **Feature 2:** The claimant has the choice to either submit a claim to the Fund's Claims center or go directly to the polluting shipowner.
- **Feature 3:** The Administrator takes all reasonable measures to recover the cost from the polluting shipowner. This is the polluter pays principle. The Fund therefore bears the hurdles, delays and risks involved in the recovery.

For Features 1 and 2, the Administrator noticed early on that very few key stakeholders and potential claimants knew about the existence of the Fund. Therefore, many potential claimants have been missing out on available compensation. This lack of knowledge is an obstacle to access to justice. For example:

- Over one thousand ship-source oil spills occur every year in Canadian waters, and the Fund has been receiving only a dozen claims per year on average (1989-2018).
- Some 90% of these claims were filed by the Canadian Coast Guard (CCG). Other potential claimants are greatly underrepresented.
- The Fund has had very few claims filed by coastal Indigenous groups.

In addition, the Fund has never been used to compensate large-scale oil spills, which could involve hundreds or thousands of claimants. If such an incident were to happen, the Administrator's office might have difficulty in providing quick access to compensation. Additional preparedness and collaboration with experts are necessary to get ready for this scenario.

For Feature 3, recovery from polluters has historically been low. Administrators did not have the in-house capacity to efficiently recover from polluters. A low recovery rate means that the Fund rather than the polluter pays for the damages. This undermines half of the access to justice mandate of the Administrator.

With this brief overview of the access to justice challenges, it is clear that there is room for growth and improvement.

We identified the following five goals as part of this first strategic orientation:

- Goal 1: Making the existence of the Fund known to potential claimants;
- Goal 2: Increasing diversity of claimants, including Indigenous claimants;
- Goal 3: Ensuring that decision-making in the claims process is clear and swift;
- Goal 4: Enforcing the polluter pays principle, by deploying all reasonable efforts to recover from the polluter; and
- Goal 5: Developing readiness to provide compensation in all situations, including large spills.

Goal 1: Making the existence of the Fund known to potential claimants

This goal can be measured through an increased use of the Fund through these key performance indicators:

1. The number of claims received;
2. The global amount paid to claimants.

The list of actions below illustrates what has been done in the 5-year period to improve upon this goal.

What has been done

A. Development of an outreach plan. The Administrator considers stakeholder engagement as the best way to ensure that the Fund is and remains relevant and efficient. Therefore, we identified categories of potential claimants and engaged with them based on annual outreach calendars. We successfully connected with:

- Each province and territory;
- Each provincial and territorial association of municipalities and local governments, including municipal administrators;
- Canadian port authorities and marina associations;
- Associations of fishers, aquaculturists, and all involved in related activities;
- Indigenous groups;
- Maritime lawyers and marine insurers associations.

Outreach activities were sometimes held jointly with the [Fund for Railway Accidents Involving Designated Goods](#) (Rail Fund) to maximize the use of resources.

B. Participation in engagement activities. This resulted in numerous presentations at local, national or international events. For example:

- Webinars delivered to various groups of stakeholders;
- In-person and virtual meetings with stakeholders;
- Presentation during conferences;
- Introducing the Fund to the public during relevant trade shows;
- Networking and attendance at industry events.

C. Leveraging the 30th anniversary of the Fund to expand our reach. An unprecedented number of stakeholders were reached during the anniversary year. The Fund had never been so actively engaged before.

The goal of reaching all provinces and territories was achieved during this 30th anniversary year.

An anniversary conference was held in Ottawa on May 28, 2019. The conference mirrored the one-day conference held in 1989, shortly after the creation of the Fund. This event was well-attended by our main partners and stakeholders. It was webcast to ensure accessibility and transparency. Almost 200 participants joined either in-person or virtually.



Closing remarks by the administrator, Anne Legars

Information about the Fund was relayed in eight publications from stakeholders and media outlets. Other communication initiatives were delivered to mark the anniversary year.

D. Use of online platforms. Starting in 2018, social media has been used to accelerate outreach and build strong relationships with stakeholders. As of March 31, 2021, the Fund’s LinkedIn and Twitter pages had respectively 4,402 and 198 followers. A monthly email newsletter was also launched in 2018 to help the public keep up to date on latest news about the Fund (publications, job postings, events and other). The number of subscribers has been increasing and reached 373 in March 2021.

E. Media collaboration and media monitoring. In recent years, we took additional steps to submit stories or to provide comments to different media outlets. Also, since April 2017, media coverage is being measured. Since then, overall hits have reached almost 400 publications.

F. Adapting to the COVID new world. The pandemic had a major impact on the outreach plan. A number of events were canceled or postponed. However, despite this initial disruption, both our Office and stakeholders have gained experience using virtual meeting platforms and tools. This has helped remove distance and allowed participation in several events in 2020-2021.

Results and Assessment

Figure 1: Number of claims received

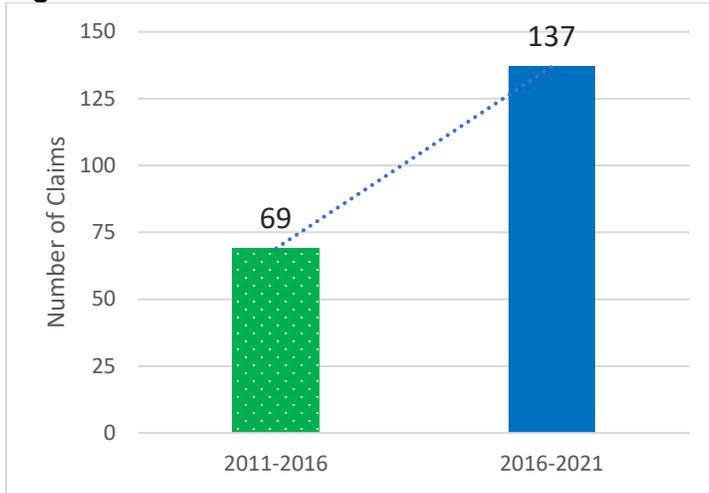
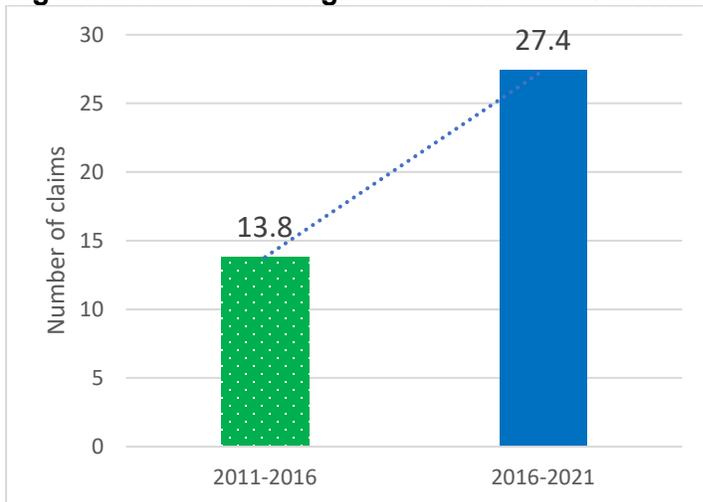
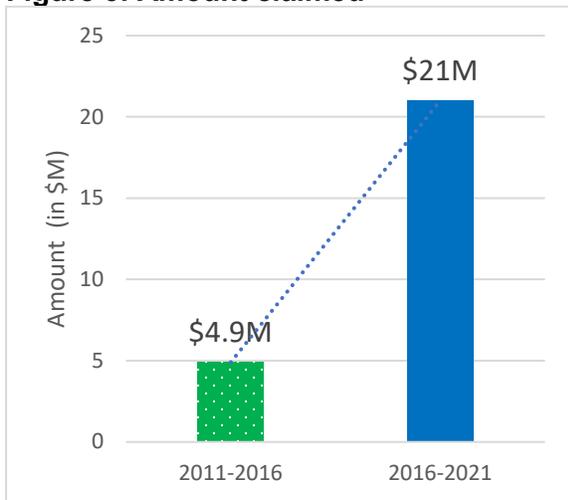


Figure 2: Annual average number of claims received



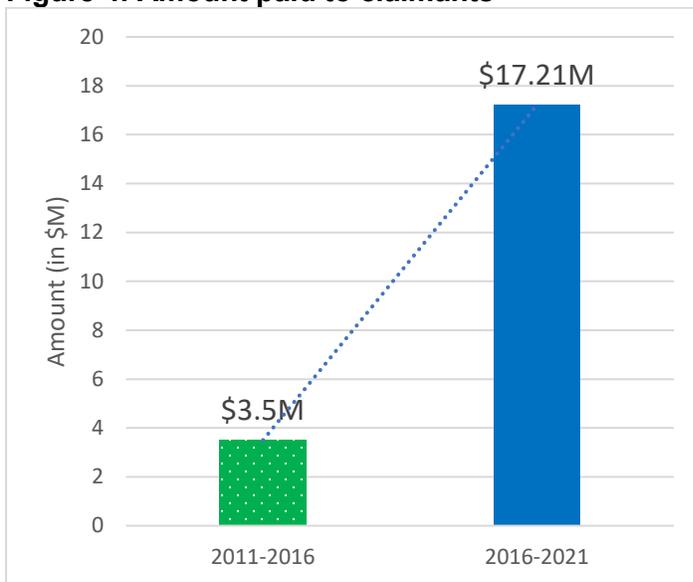
Between the first five-year period (2011-2016) and the last five-year period (2016-2021), the number of claims **doubled (a 99% increase)**, as well as the annual average number of claims received.

Figure 3: Amount claimed



Between the first five-year period (2011-2016) and the last five-year period (2016-2021), the total amount claimed **quadrupled (a 329% increase)**.

Figure 4: Amount paid to claimants



Between the first five-year period (2011-2016) and the last five-year period (2016-2021), there has been a **392% increase** in the total amount paid to claimants.

These statistics reflect an increased use of the Fund as a means to access justice.

Next steps

We want to renew our outreach efforts, for example by taking advantage of the increased use of virtual meeting platforms since COVID-19. We also want to take steps to continue the growth in claimants' use of the Fund.

Goal 2: Increasing diversity of claimants

Historically, the CCG has been the Fund's main claimant. In an effort to broaden claimants' diversity, we reached out to various segments of underrepresented potential claimants. Targeted groups of stakeholders included ports, municipalities and local governments, provinces, territories, Indigenous communities, and the fisheries sector.

The key performance indicator used to measure this goal is:

- increase in the numbers of non-CCG claimants.

What has been done

Our 2016-2021 engagement with the various groups targeted is discussed below.

Ports

Ports are very often involved in oil spill response operations. An oil spill may contaminate their assets or disrupt their normal operations. Yet, they represent less than 6% of the claims submitted from 1989 to 2019. This represents 2.5% of the total amount paid by the Fund over this 30-year period.

We have engaged with ports, harbours, terminals, marinas and related associations over the 2016-2021 period, including activities such as:

- Attendance and exhibition at two annual conferences of the Association of Canadian Port Authorities (ACPA);
- Hosting a webinar targeted to members of the ACPA;
- Publication of a research project called: *Analysis of the 30 Years of History of Incidents and Compensation to Ports and Harbours*;
- Over 10 individual meetings and networking opportunities with multiple ports and harbours including:
 - Association of Canadian Port Authorities (ACPA)
 - St. John's Port Authority
 - Port of Halifax
 - Saint John Port Authority
 - Port de Montréal
 - Nanaimo Harbour
 - Greater Victoria Harbour Authority
 - Nanaimo Port Authority
 - Ladysmith Harbour
 - Port Alberni Port Authority
 - Port of Summerside
- Published articles in media outlets and newsletters for which ports and terminals are an important audience:
 - Canadian Sailings
 - BC Shipping News
 - Maritime Magazine
 - Chamber of Shipping
 - St. Lawrence Economic Development Council – Interview of the month

Ports, harbours, terminals and marinas are also members of industry associations or participate in industry networking events. This includes the Chamber of Marine Commerce's Marine Day on the Hill and the St. Lawrence Economic Development Council's luncheons.



Chamber of Marine Commerce's Marine Day on the Hill



Presentation at the Borden Ladner Gervais (BLG) Maritime Annual Law Seminar

Municipalities and local governments

Many municipalities and local governments in Canada are located near a body of navigable water, be it a river, lake or ocean. In some cases, they own, manage, and operate a local marina. They also may be involved in oil spill response operations. Their assets may be contaminated by oil spills. Their normal operations may be disrupted by an oil spill. Their citizens might be affected as well.

However, they have been missing out on available compensation. They represent less than 2.4% of the claims submitted from 1989 to 2019. This represents 2% of the total amount paid by the Fund over this 30-year period.

As mentioned above, in 2019, we were successful in reaching all provinces and territories, through outreach activities with municipal associations, as well as federal, provincial, territorial, regional and local levels of government. These efforts also involved associations of city managers, clerks and treasurers, through activities such as:

- Over 11 individual meetings and networking opportunities;
- Attendance and exhibition at three annual conferences and trade shows;
- Presentations at five events dedicated to local governments;
- Hosting two webinars;
- Publishing in municipal newsletters and magazines, including:
 - Municipal World;
 - The Compass - Union of British Columbia Municipalities;
 - Carrefour municipal - Union des municipalités du Québec;
 - UMN BULLETIN - Union of the Municipalities of New Brunswick;
 - E-brief of Canadian Association of Municipal Administrators;
 - Revue Carrefour - Corporation des officiers municipaux agréés du Québec.



Presentation at the Maritime Committee of the Union des municipalités du Québec



Presentation during the Union of BC Municipalities Conference

Provinces and territories

Similar to municipalities and local governments, provinces and territories are also involved in multiple aspects of ship-source oil spill incidents. Yet, they represent only 0.5% of the 1989-2019 portfolio and about 0.1% of the total amount paid by the Fund over this 30-year period. In 2020-2021, the Province of British Columbia (Ministry of Environment and Climate Change Strategy) submitted a claim. It was only the third claim from a province in the Fund's history.

As mentioned above, we were able to meet representatives of each province and territory before the end of our 30th anniversary year. This included activities such as:

- Over 18 familiarization meetings and networking opportunities;
- Hosting two webinars;
- Presentation and training during six events for provincial governments;
- Networking and collaboration at several events, workshops and table-top exercises where we were in attendance with provinces and territories.

We have directed our efforts to reaching different relevant departments responsible for these issues:

- | | |
|-----------------------------|---|
| • Transportation | • Emergency management or Public Safety |
| • Environment | • Energy and Resource Development |
| • Fisheries and aquaculture | |

In recent years, the province of Quebec has incorporated a presentation from the Fund in their regular training to officers involved in marine response. They also circulated an article about the Fund in their bulletin for responders. This type of initiative will be pursued in the future with other provinces and territories.

The Fisheries sector

Over the past 30 years, the Fund has received very few claims from the fishing sectors: less than 1% of the total amount paid from the Fund. Additional resources were dedicated to increasing our outreach efforts to this sector, especially from 2019 to 2021. Outreach efforts have increased to reach a broad audience across the fishing sectors, including workers and business owners, Indigenous communities, and those pursuing commercial and non-commercial activities, both in fresh and salt water.

This includes activities such as:

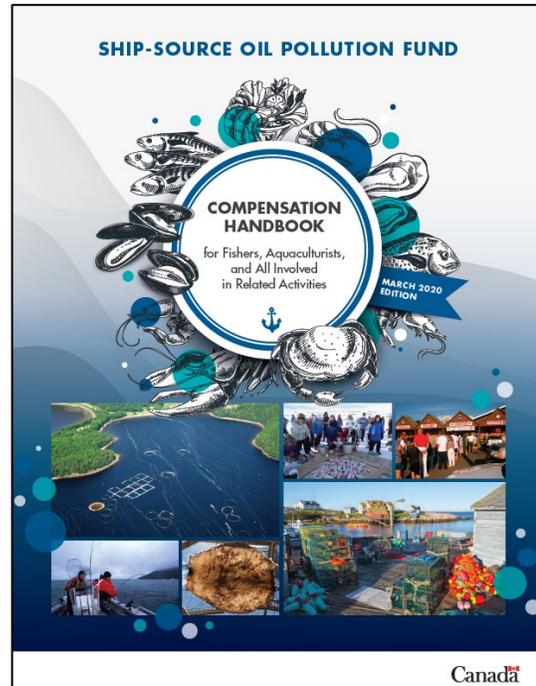
- Over three familiarization meetings with national and provincial and Indigenous fishing organizations;
- Attendance and exhibition at Fish Canada – Workboat Canada Trade Show with high foot traffic and side discussions with a number of fishers;
- Several meetings with provincial Departments of Fisheries and Aquaculture (counted in the “Provinces and territories” section above);
- Meetings with the commercial fishing insurance industry;
- Hosting of a webinar on the introduction to compensation for fishers, aquaculturists, and all involved in related activities in October 2020:
 - Over 75 people attended the webinar;
 - All questions asked during the webinar were answered in a document available on the Fund’s website;
- Presentations at the national Canadian Marine Advisory Council (CMAC), including the Committee on Fishing Vessel Safety;
- Publication in the Fisheries Council of Canada Newsletter.



Exhibitor at the trade show of the Fish Canada – Workboat Canada Conference

To help facilitate the claims process for this audience, we published the *Compensation Handbook for Fishers, Aquaculturists, and All Involved in Related Activities* in March 2020.

The Handbook is considered the starting point to inform these sectors across Canada. In it, we detail the types of damages covered by the Fund. We also explain how the claims process works as well as who pays for a ship-source oil spill.



Indigenous claimants

In April 2018, we published the report *Analysis of the History of Incidents Involving Interaction Between Indigenous Peoples and the Ship-source Oil Pollution Fund*.

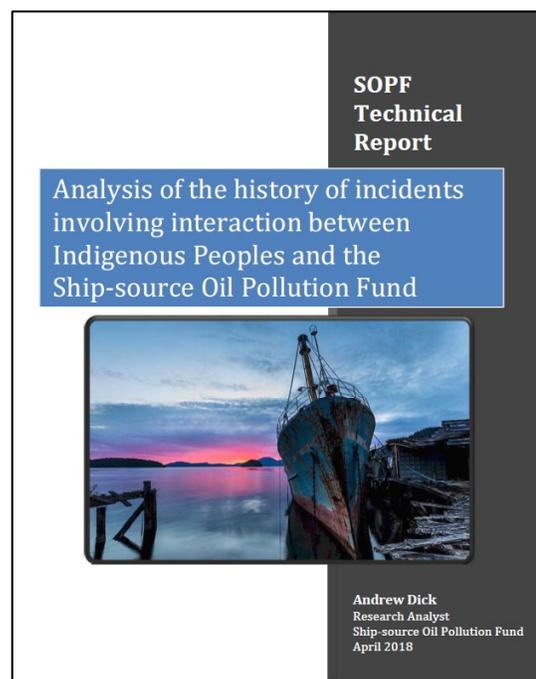
In the report, we observed that Indigenous groups have been present in the Fund's incident files. For example, in:

- alerting the CCG to the existence of spills or risk of spills;
- contributing to the response; or
- monitoring incidents occurring in areas of importance to them.

However, from 1989 to 2018, the Fund received only two claims filed by Indigenous groups.

To make more Indigenous Peoples aware that they can be compensated for costs incurred resulting from incidents in their areas, we hired an Indigenous expert consultant in 2018-2019. This consultant structured and managed outreach to Indigenous communities.

Engagement with Indigenous groups was then put in place, including discussions on claims management issues having impacts on these communities.



All in all, some 20 engagement initiatives involving Indigenous groups took place between 2017 and 2021, including:

- 3 meetings initiated by Indigenous organizations;
- 3 in-person meetings initiated by the Administrator;
- 5 Indigenous engagement activities initiated by third parties (usually, governmental organizations)
- One webinar hosted and attended by 21 Indigenous groups in January 2019, called “SOPF 101: an introduction for Indigenous communities”
- 5 general outreach activities initiated by the Administrator. Indigenous groups organizations were invited if listed in our general distribution list (11 Indigenous groups attended)

More specifically:

- In 2019, we held meetings with various groups, including the Assembly of First Nations (AFN) and the Assembly of Manitoba Chiefs (AMC), in order to ensure that the Fund is ready to respond to Indigenous claimants, if an incident occurs in their area.
- At the Fund’s 30th anniversary conference, an entire panel was devoted to equality, diversity and inclusion. Several Indigenous panelists were invited to share their experiences. Panelists also discussed access to justice and inclusion of communities, local governments and Indigenous groups in the compensation process.
- In 2020-2021, we participated in various presentations and workshops with Indigenous groups, including the Musqueam Indian Band and Partners, l’Institut de développement durable des Premières Nations du Québec et du Labrador (IDDPNQL), the Mi’kmaq Conservation Group and Confederacy of Mainland Mi’kmaq, as well as Indigenous groups in the Nunavik region of Quebec.
- We were also invited to present at several outreach sessions organized by the Government of Canada as part of the Oceans Protection Plan outreach to coastal communities.
- A number of Indigenous groups attended the webinar on the introduction to compensation for the fishing sectors.



Exhibitor at the trade show of the Northwest Territories Association of Communities Conference

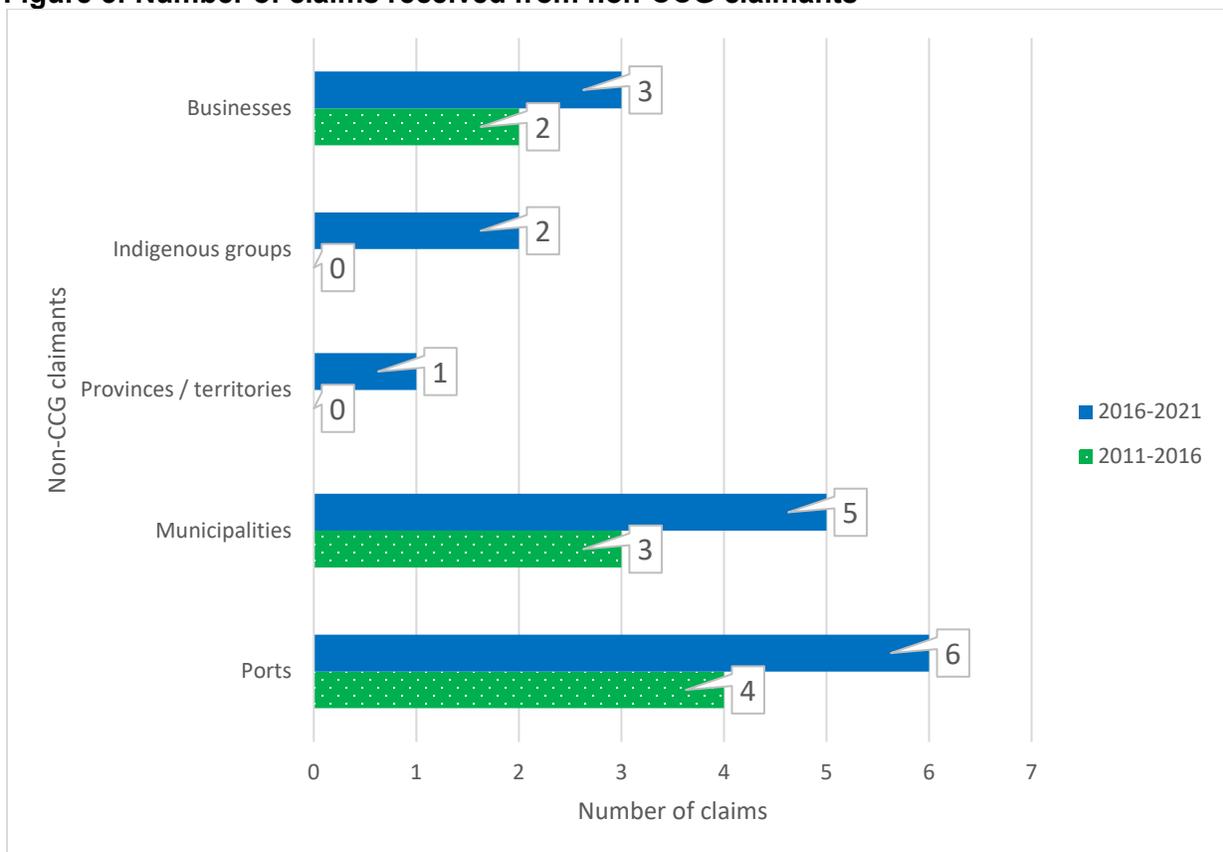
The Administrator has also continued to collaborate with federal departments, such as Indigenous Services Canada (ISC), Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) and Transport Canada (TC). Further to Recommendation 15 of the National Energy Board’s review of the Trans Mountain pipeline project, TC was tasked to “review the federal marine oil spill compensation regimes with regards to compensation for non- use values, for Indigenous and non-Indigenous communities, including any non-coastal communities that may be impacted as a result of a marine oil spill”. TC launched a public consultation process to improve Canada’s marine liability and compensation system, and information about the Fund was included in the consultation documentation.

Finally, with the aim of improving services to Indigenous claimants, we sought experts on Indigenous matters by developing a national pool of consultants, who would be contracted by the Fund from time to time. The Fund’s team also took part in a training workshop on engaging with Inuit communities.

Results and Assessment

The number of non-CCG claims received in the 2016-2021 period has nearly doubled, from 9 to 17, compared to the 2011-2016 period, an **89% overall increase**. This reflects an increased diversity of claimants and an increased use of the Fund as a means to access justice.

Figure 5: Number of claims received from non-CCG claimants



Next steps

We want to build on the success of our previous engagement campaigns by keeping our segments of potential claimants aware of the existence of the Fund. The goal is to maintain and further develop the relevancy of the Fund for all the stakeholders mentioned above.

With respect to Indigenous groups, additional engagement will include:

- Continuing discussions, notably by following up on a number of questions and requests originating from these groups;
- Circulating claims information through the existing environmental response Indigenous networks;
- Continuing to develop a pool of external expertise in Indigenous issues;
- Increasing the Office's in-house literacy in Indigenous matters.

Goal 3: Ensuring that the claims decision-making processes are clear and swift from a claimant's perspective

What has been done

To meet this goal, we developed a suite of communication materials and hosted multiple webinars for various audiences. The list of communication products below illustrates what has been done in the past years.

A. General Claims Manual. The General Claims Manual provides a comprehensive overview of the Fund and information on Canada's compensation regime. It explains the requirements a claim must meet to be eligible for compensation.



B. Expedited Process for Small Claims: Guidelines & Form (manual, fillable form and sample claims). The manual guides claimants following the introduction of the new 2018 Expedited Process for Small Claims (section 106.1 of the MLA). This new process is an alternative to the General Claims Process. Claimants can be quickly compensated for eligible damages not exceeding \$35,000. To assist claimants further, we also developed a fillable small claims form and two sample claims (including a description of a hypothetical incident).

C. Manual for Special Loss Claims. First published in 2020, the Manual for Special Loss Claims addresses losses that are not recoverable under the General Claims Process, whether against

the owner, its insurer or from the Fund. It deals with the exceptional and residual remedies provided by sections 107 and 108 of the MLA. The Special Claims Process is only available to a limited class of claimants involved in fishing, aquaculture, marine harvesting, or hunting. It covers future losses, including for subsistence living, which may encompass ceremonial and cultural uses. It is not restricted to losses that take place in Canadian waters.

D. Publication of offers of compensation. Offer letters that have been accepted by a claimant have been translated, processed for protection of personal information purposes, and are now being posted on the Fund's website (starting from fiscal year 2019-2020).

E. Hosting multiple webinars for a diversity of claimants. We organized multiple webinars to explain the functioning of the claims process to diverse groups of claimants, such as:

- the "Compensation 101: Ship-source oil pollution" webinar. The webinar accompanied the launch of the claims manuals. Held in November 2019, it was intended for all types of stakeholders. It provided an overview of the Fund, access to compensation and the claims process. Over 100 people across the country registered to watch the webinar live. They also had access to the recording afterward.
- An introduction webinar on compensation for fishers, aquaculturists, and all involved in related activities. Hosted in October 2020, the webinar targeted the fisheries sectors.
- A webinar dedicated to port authorities. Held in July 2019, the webinar targeted mainly harbour masters, and all involved in marine operations and oil spill response.
- A webinar dedicated to Indigenous communities. Held in January 2019, the webinar targeted Indigenous coastal communities and relevant provincial and federal departments.
- A webinar « Indemnisation 101 : Pollution par les hydrocarbures causée par les navires: - L'essentiel à savoir - le secteur de la pêche ». Held in September 2020, the webinar was a training session for provincial organizations from the province of Quebec specialized in maritime incident risk management.

F. Implementation of access to justice best practices. A number of best practices have been implemented, such as reporting on delays for issuing decisions, further developing reasons for decisions, reminding claimants about critical deadlines.

G. Workshops with institutional claimants. Workshops with the CCG are held periodically. Workshops with port authorities, Government of Quebec first responders, and First Nations first responders were delivered to enable them to make the best possible use of the Fund.

Results and Assessment

From 2016 to 2021, we used the *Access to Justice Index for Federal Administrative Bodies* (the "Index") as a self-assessment tool. This Index was designed by the Department of Justice Canada. It identifies key criteria for access to justice. Administrative tribunals, such as the Fund, were challenged to evaluate their practices and give a score for each of the categories.

Some 28 best practices were implemented over the period. Our office went from the initial 25% grade in 2016 to the passing grade of 63% in 2021.

One of the important aspects of the access to justice goal is to provide rapid access to compensation. We have therefore implemented the tracking and reporting of time for our office to assess claims:

- from the time a claim is submitted to the time the claimant accepts our offer of compensation.

These statistics have been published in our annual reports since 2016-2017.

Here is the average over the 2016-2021 period:

- 71% of claims received an offer in less than six months:
 - 44% of claims received an offer in less than three months;
 - These claims represent \$1.86M in total amount claimed;
 - The average amount of these claims represents \$34K
 - 27% of claims received an offer in more than three months but less than six months.
 - These claims represent \$2.9M in total amount claimed;
 - The average amount of these claims represents \$89K

In general, the higher the amount of the claim, the more complex and time-consuming it is to assess.

Next steps

Another set of measures listed in the Access to Justice Index will be implemented, including a user survey for non-CCG claimants. The Fund's claims staff will also continue to meet with the CCG quarterly.

In 2021-2022, a new claims form was developed and published to facilitate the filing of claims. A webinar kicked off the launch of this new resource and is accessible to rewatch at any time. We are also currently working on revising the existing claims manuals, which will provide in-depth claims preparation guidance, along with specific examples.

Plain language consultants are being retained for improving accessibility of the material. This includes the information available on the website. All relevant staff will receive plain language training.

Offer of compensation letters posted on the Fund's website will be accessible via CanLII. The CanLII.org website provides access to court judgments and decisions from many tribunals. Our compensation decisions will become more accessible to the legal community.

Goal 4: Application of the polluter pays principle

Canada's regime is based on the principle that owners are responsible for the oil pollution caused by their ships or boats. That is the polluter pays principle. The Administrator is obligated by law to enforce this principle. Once the compensation is paid to the claimant, we take all reasonable measures to recover from the shipowner or any other responsible person.

Systematic recovery is also another important side of the Access to Justice Strategic orientation.

When a claimant submits a claim to the Fund, they will not have to take on this demanding task. Recovering from the shipowner may entail litigation, which can be commenced by the Administrator in either the claimant's name or the Administrator's. The costs and delays of litigation are borne by the Administrator, and any amounts recovered are paid into the Fund.

The performance indicators implemented and published in the annual reports since 2016-2017 are:

- The number of files under active recovery
- The amount recovered during the fiscal year
- The number of files recovered

What has been done

To increase these performance indicators, the following means have been put into place.

Systematization of efforts. The recovery effort has become systematic. It has been supported by additional processes and resources. The Administrator closes files when she is satisfied that all reasonable recovery efforts have been deployed and documented. We have also deployed efforts to cover the Fund's financial risk as soon as we become aware of an incident. By financial risk, we mean the total amount of possible damages related to an incident that the Fund could be required to compensate for.

Greater use of the court system. In addition to the 10 settlements reached without the need to initiate court proceedings, some 30 court cases were initiated or joined by the Administrator. Out of these 30 court cases:

- 6 resulted in out-of-court settlements or consent judgements secured by the Administrator;
- 13 resulted in a judgement in favour of the Administrator,
 - out of which 4 were paid:
 - 2 wholly
 - 2 partially
 - 7 were registered against the assets of the debtor;
- 1 was dismissed as the court found that the Administrator failed to prove the ownership or use or control of the vessel;
- 2 were discontinued by the Administrator;
- 8 were still pending at the end of the period.

Set-up of an in-house legal department with litigation capabilities. This initiative has provided the ability to pursue recovery, including through court actions for relatively low value claims. In these cases, hiring external legal services would have made recovery too costly.

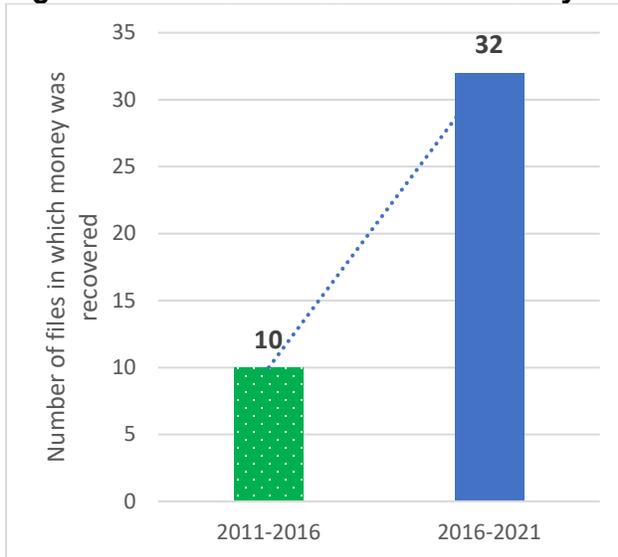
- The modest amount of most claims makes it uneconomical to pursue recovery against a shipowner using external legal resources, even when the vessel owner is thought to have some realizable assets. For example:
 - in 2019-2020, over three out of four claims submitted were for amounts lower than \$50,000;
 - in 2020-2021, half of the claims submitted were for amounts lower than \$35,000.

The Fund's in-house legal department includes a Lead Counsel and Counsel. They carry out the recovery efforts, which minimizes legal costs. They also assist in the assessment process and the claims investigation.

As part of the Fund's student program, the legal department is supported by law school students and articling students. In the last two years, we have hosted four law students per year.

Results and Assessment

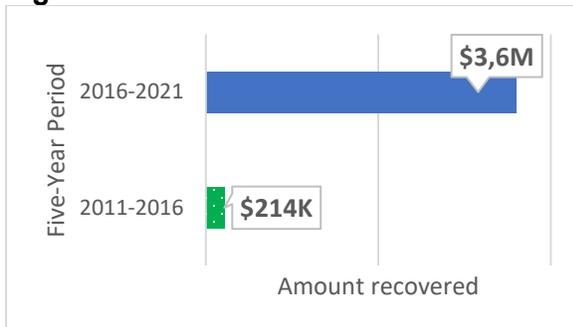
Figure 6: Number of files in which money was recovered



Between the first five-year period (2011-2016) and the last five-year period (2016-2021), there has been a **220% increase** of the number of files in which money was recovered.

At the end of the 2020-2021 fiscal year, there were 66 files under active recovery.

Figure 7: Total amount recovered



Between the first five-year period (2011-2016) and the last five-year period (2016-2021), there has been a **1,582% increase** of the total amount recovered.

Next steps

We intend to continue building on the success of our in-house legal department. Our in-house lawyers will continue shouldering these systematic recovery efforts.

We also intend to improve collaboration with shipowners and their insurers in the recovery process, and we want to increase engagement with the marine insurance industry.

As part of the efforts to clarify our recovery process, we will develop an infographic. It will explain the steps we take to recover from the shipowners.

Goal 5: Developing readiness to provide compensation in all situations

The Fund mainly compensates victims of small and medium incidents that occur regularly in Canadian waters. These incidents involve essentially the following types of damages:

- environmental response costs
- monitoring and sampling costs
- external expertise costs.

There has also been an increase of claims involving ship deconstruction and disposal costs.

There have been no major spills in Canada in recent years involving either a huge number of claimants, or an important diversity of types of damages. However, the Fund must be able to compensate Canadian victims in the event of an oil spill disaster. Readiness for this scenario requires multiple key elements:

- expertise and claims assessment capacity
- internal management processes
- guidance for claimants
- partnerships with other players of the regime.

Our past annual reports provide information on preparedness and collaboration progress. In the past, however, we have not been able to develop any performance indicator apart from the listing of initiatives and their degree of advancement. Despite the lack of performance indicators, many actions have been taken to advance this goal, as itemized below.

What has been done

Preparedness for claims from the fisheries sector. We have undertaken several initiatives to improve our level of preparedness in case we receive claims from the fisheries sector. For example:

- Publication of the Compensation Handbook for Fishers, Aquaculturists, and All Involved in Related Activities;
- Publication of the Special Loss Claims manual;
- Research on s. 107 of the MLA;
- Development of a list of potential experts.

The level of preparedness for indemnification in the fisheries sector was identified as a key performance indicator but needs to be further refined.

Readiness for the indemnification of large spills. In 2017, we developed a pool of external marine experts to provide additional capacity on an as-needed basis. In 2016-2017, the Administrator initiated discussions with the Fund's international partners: the International Group of P&I Clubs (P&I Clubs) and the International Oil Pollution Compensation Funds (IOPC Funds). They would likely be also involved in the compensation process in case of a large oil spill in Canadian waters. These discussions were suspended pending the 2018 amendments to the MLA, which would facilitate compensation in the event of a large spill:

- the removal of the Fund's per-incident limit of liability;
- an expedited process for small claims; and
- the ability for the Administrator to provide emergency funding to the CCG in cases of major incidents.

In 2019, the Administrator resumed her work with the P&I Clubs, an international insurers' association, to develop a memorandum of understanding (MOU) concerning oil pollution incidents caused by the large commercial ships they insure. The MOU is expected to be finalized in 2022. Discussions on a similar MOU between the Fund and the IOPC Funds will resume thereafter.

The Administrator has also been working with TC and the CCG on the administrative and financial processes that would be involved in the activation of the MLA emergency funding provisions enacted in December 2018.

Preparedness for compensation arising out of an Incident Command System (ICS) deployment. In 2017-2018, three claims were submitted for the 2015 spill from the *Marathassa* in Vancouver. These claims raised new assessment challenges. It was the first time that multiple claimants had participated under the same ICS. First, we started to assess the claims separately. Eventually, they had to be assessed jointly, especially due to the elements of the claims that were based on the ICS. After all claimants had accepted their compensation offers in 2019-2020, the Administrator decided to reflect on the potential use of some elements of the ICS documentation for claims assessment purposes. We have met several times with the CCG to address such topics. We have started to involve additional stakeholders for the continuation of the work. The goal is to develop draft guidelines for claimants.

ICS is key to any response involving multiple organizations and resources. When deployed under ICS, the response operations are documented along the ICS standards. The documentation may later be very useful in our claims processing. This would also be relevant in a Canada-US border spill, as ICS is widely used in the US.

Preparedness for the indemnification of border spills. We organized two workshops to get prepared, should an oil spill occur on the Canada-US marine border:

- A first three-day Transboundary Liability and Compensation (TLC) workshop was held in Ottawa in November 2017 with the US Oil Spill Liability Trust Fund (OSLTF). The Fund's international partners (the IOPC Funds, the P&I Clubs, the International Tanker Owners Pollution Federation (ITOPF)) were in attendance, as well as TC. The CCG and US Coast Guard were also in attendance. The workshop was mainly built on a border spill tabletop exercise and scenario and using the Canada-US Joint Marine Pollution Contingency Plan. All partners showed a strong appetite for working together towards the fluid compensation of claims arising out of a spill at the border.
- The second TLC workshop was held in Portland, Maine in September 2019. The IOPC Funds, the P&I Clubs, the ITOPF, the Canadian and US Coast Guards, and TC were also present. One of the objectives was to strengthen collaboration with other key players and payers to ensure fluid compensation of potential claims.





Co-organizing and presenting at the TLC in Portland, United States

Since then, the parties have continued to work together towards the organization of the next Transboundary Oil Spill Liability and Compensation workshop, planned to be held in 2021-2022.

Results and Assessment

We carried out much groundwork to develop readiness for compensation in situations that are outside our regular claims assessment activities. However, our work with our active claims portfolio where the public can immediately benefit, has been prioritized during the 2016-2021 period.

Next steps

We want to build on the progress made by taking the following measures:

- Sign the MOU with the P&I Clubs (2022);
- Relaunch and finalize a MOU with the IOPC Funds;
- Hold several tabletop exercises and/or workshops with our international partners in compensation, including a full TLC workshop (3rd edition) in 2022-2023;
- Clarify any outstanding questions on the mechanics of payment and reimbursement of emergency funds to the CCG in case of a large accident;
- Consider issuing a Request for Standing Offers from claim adjusting firms for claims assessment services in case of a major spill;
- Circulate guidelines on claims documentation and assessment in an ICS context;
- Compile an internal document on the Fund's management processes in large incident situations.

STRATEGIC PLAN ORIENTATION #2: PROFESSIONAL TEAM, LINKED TO A WEB OF EXPERTISE

When the Administrator was appointed in 2016, a small team of seven persons already worked in the Administrator's office:

- Four employees (three full-time, one part-time),
- One person under contract with a temp agency, and
- Two part-time consultants (a marine expert and an information management consultant).

Out of these seven persons:

- Five were retired civil servants;
- Except for the marine experts, all staff were supporting corporate functions;
- Program-related knowledge and expertise was essentially held by persons outside the Administrator's office, such as external lawyers and consultants.

The Administrator assessed that an in-house professional team was needed to support the development of the program. Such a team would also secure continuous expertise from one Administrator to the next. Also, program-related core knowledge would be held within the Administrator's office and thereby belong to the public rather than belong to external service providers.

This strategic orientation aims at recruiting, developing and retaining key in-house expertise. It also aims at building a robust network of external resources, on whose expertise we can count on for *ad hoc* projects or to complement in-house resources.

The measures of success are:

- the combined ability for the internal and external resources to deliver on the compensation and recovery objectives, so that the Access to justice goals are attained;
- the ability to fill available positions (vacant positions);
- the ability to retain staff (retention rate).

Goal 1: Human resources expansion and management

The increased level of activity of the Fund, not only in the number and value of claims under assessment, but also in recovery action and in outreach activities, has led to the opening of new positions, such as:

- Lead in-house Counsel, Counsel
- Claims Coordinator
- Communications and Stakeholder Engagement Officer
- Research and Program Support Officer
- Office Coordinator
- Information Management Officer

These positions were all filled through competitions. The following developments have also been implemented with regards to human resources over the 5-year period:

- Write (for new positions) or update (for existing positions) all job descriptions;
- Classification of all positions by an external human resources firm and benchmark of all base salaries against the Ottawa job market;
- Update of remuneration policies;

- Consolidation and update of all human resources policies;
- Adoption of a delegation framework ; and
- Adoption of employees' retention strategies, including:
 - A policy and training on civility and respect in the workplace;
 - A commitment to the federal Workplace mental health strategy;
 - A bonification of the benefits package;
 - A work-life balance approach;
 - A wellness spending account.

Goal 2: Development of pools of contractual resources

We developed a national pool of Consultants and Local Marine Experts. We may contract with them for *ad hoc* projects and/or to complement in-house resources. Twenty consultants, including eight marine experts, worked for the Fund over the 2016-2021 period. Some worked remotely and others through a physical presence in the office. Additional pools of expertise have also been developed (consultants in Indigenous matters, in program management, etc.).

We also complement in-house resources with other contractual resources for the delivery of the program:

- IT management services;
- graphic design;
- web management services;
- translation services, etc.

The number of contractual resources grew significantly during the anniversary year due to the number of special projects initiated.

Goal 3: Development of a student program

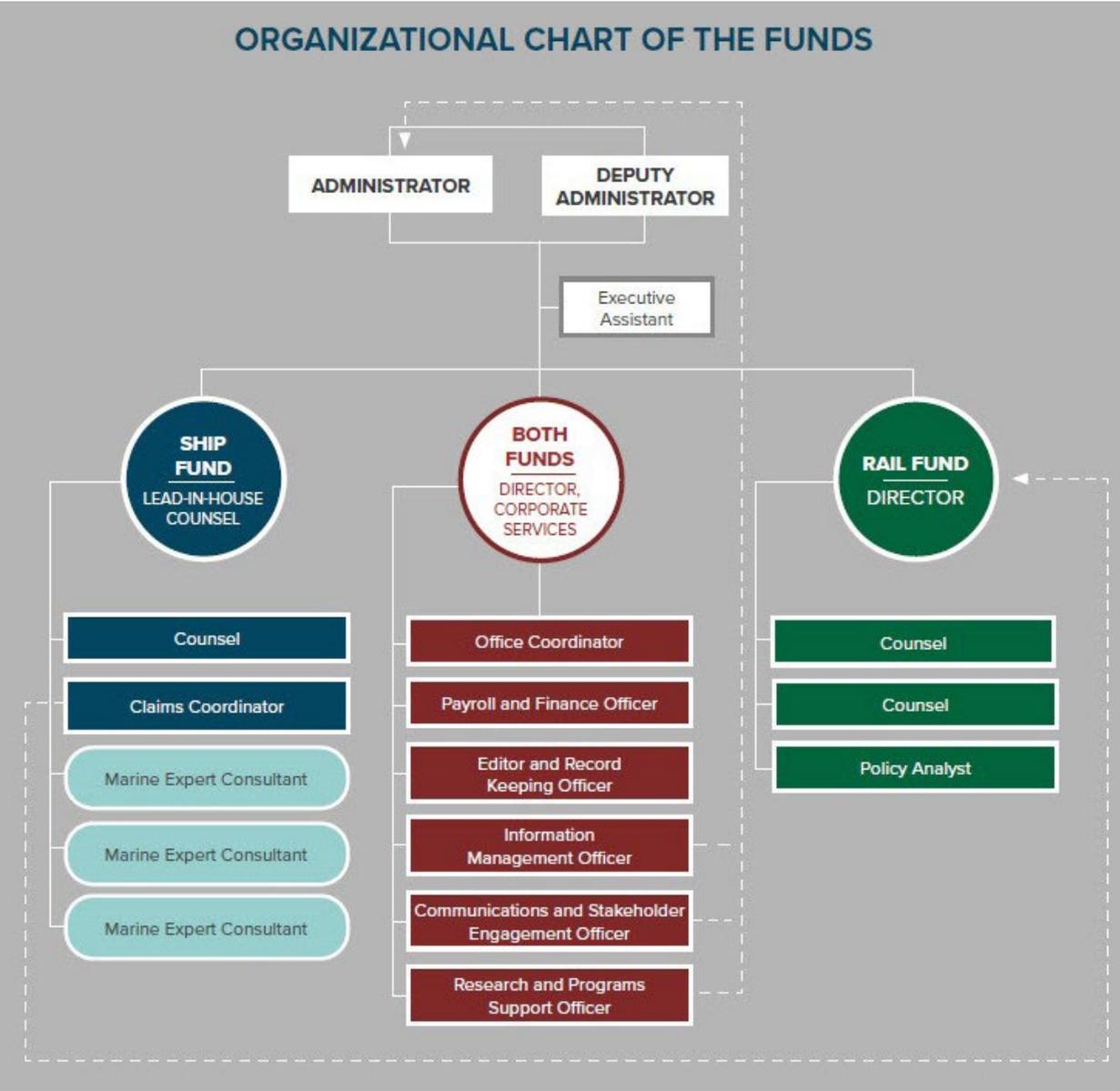
We formalized our student program after hosting our first student during the fiscal year 2016-2017. This program is posted on our website and advertised with universities. It aims at providing professional development opportunities to students of various backgrounds. It also provides additional capacity to the team. Some students were assigned to research projects over the course of their term with the Fund.

We hosted 14 students over the 2016-2021 period, including four articling students. For the first time, during the fiscal year 2020-2021, three students (from Quebec, Ontario and British Columbia) worked remotely. Although physical presence in the Fund's office was a requirement for pre-COVID students, the program will likely continue to accept remote students.

Goal 4: Sharing human resources with the Fund for Railway Accidents Involving Designated Goods (Rail Fund) and implementation of a “3-pillar” structure

The Ship Fund and the [Rail Fund](#) share the same Administrator and Deputy Administrator, who have both been cross-appointed to the two Funds. Besides, since its inception in 2016, the Rail Fund has been hosted in the Ship Fund's premises and has been operated in part by staff hired by the Ship Fund. A Memorandum of Understanding (MOU) was signed between the two Funds in March 2017, itemizing the resources shared and the financial conditions under which they are shared. This MOU is adjusted from time to time.

The model under which the Ship Fund and the Rail Fund have been managed jointly reached its limits in 2019 and triggered the transition to a new model based on three pillars (as shown below in the Organizational Chart of the two Funds): the Ship Fund claims team led by a Lead in-house Counsel, the Rail Fund team led by a Director, and the shared administrative and professional corporate services led by the Director of Corporate Services. This model allows the Administrator and Deputy Administrator to focus on strategic orientations, policies and guidelines, while remaining the ultimate decision makers.



The combined mandates of the Ship and Rail Funds have led to an expansion of the combined team and to an increase of the level of expertise across the board. This has also allowed to manage more external service providers and to host more students, compounding overall capacity to carry the Funds' respective mandates.

Goal 5: Networking with communities of practice and networks of experts

The Administrators and staff are linked to several communities of practice, such as:

- maritime law
- marine insurance
- administrative tribunal administration
- small agencies management
- finance and administration
- information management
- accessibility and plain language

These networks help us keep abreast of new developments and best practices. They also contribute to a stronger positioning of the Administrator's office as a center of expertise with respect to ship-source oil compensation.

Results and assessment

The Administrator has been able to fill vacant positions and to have a strong retention rate.

Above all, the combination of internal and external resources has been able to deliver the growth of the program, both on the compensation and on the recovery side, along the path of the "Access to Justice" strategic orientation and specific goals.

The Special Examination carried out in the Fall of 2020 audited - among other things - the Fund's human resources systems and practices. It found reasonable assurance that there were no significant deficiencies in the systems and practices examined. However, it recommended that a formal human resources plan be developed, linked with the strategic plan and with staff training plans.

Next steps

Building on the progress made, we will (in 2021-2022 and thereafter):

- Introduce a Funds' staff survey, based on the federal government staff survey, and repeat it on an annual basis thereafter;
- Develop a formal HR plan, linked to the strategic plan;
- Develop formal training plans for the various profiles. Some of these plans will incorporate training relevant to the Access to Justice index and rating;
- Develop and implement a post-COVID workplace strategy, which will include remote work agreements and technology upgrades.

STRATEGIC PLAN ORIENTATION #3: EFFICIENT AND TRANSPARENT ORGANIZATION, AGILE AND STRUCTURED

The efficiency, transparency, agility and structure of the Fund can be measured with its ability to adjust to changing circumstances and to report to the public. This orientation aims at ensuring that the Fund is engaged in a continuous improvement process and open to challenges coming from inside or outside the organization.

Goal 1: An efficient organization

The following are illustrations of the improvement processes we implemented over the five-year period, for efficiency purposes:

Information Technology (IT) assessment and implementation of an IT plan (2017-2020). Our service provider performed an IT security assessment in 2017, following which we purchased new IT equipment. In addition, in 2018, we acquired a new license allowing cloud and distance access to basic work tools. We installed a new backup system with an automated transfer to a cloud service taking over the tape backups.

Implementation of new management software applications. Driven by the increasing level of both Funds' activities in recent years, we put into place new processes and systems to support staff work and gain efficiencies, for example by avoiding the multiple handling of the same information. Among other things, new systems were implemented for finances and accounting, human resources and payroll management, and external stakeholders' management.

Upgrade of both Funds' governance model to a "3-pillar structure" in 2019. By delegating some of their responsibilities to the new management team, the Administrator and Deputy Administrator have been able to focus on strategic orientations, policies and guidelines, while remaining the ultimate decision makers. The organization has gained overall capacity and efficiency in the delivery of its mandate.

Implementation of a simplified Request for proposals (RFP) process. The Fund is not listed under the *Financial Administration Act*, and Treasury Board policies do not apply to the Administrator's office. Our procurement processes are therefore less sophisticated than those of the federal public administration. With the view that the management of the process itself should not outweigh the end benefits, our simplified RFP process still brings value to our small organization.

Goal 2: A transparent organization

We strive to make as much data as possible publicly accessible. For example:

- The annual reports have been structured to provide as much relevant data as possible about the Fund's activities, including by publishing key statistics.
- All the Fund's annual reports since 1989, as well as those of its predecessor, the Marine Pollution Claims Fund (1974-1989), have been made available on the Fund's website.
- Testifying before the Standing Committee on Transportation on Bill C-64 on February 7, 2018.

- We produce statistical research papers and publish them on our website, such as:
 - the Statistical Report on incidents involving Derelict and Abandoned Vessels and Wrecks that resulted in claims with the Fund over a 10-year period (January 1, 2006 to December 31, 2015), published in February 2017;
 - the Analysis of the history of incidents involving interaction between Indigenous Peoples and the Fund, published in April 2018; and
 - the Analysis of the 30 years of history of incidents and compensation to Ports and Harbours, published in 2019.
- Our 30th anniversary conference, held in Ottawa on May 28, 2019, was webcasted to ensure accessibility and transparency, and the recording remains publicly accessible on YouTube.
- All summaries of incidents in the Fund's history have been compiled and published. The initial compilation was published in May 2020, reflecting 30 years of decisions of the Fund. It is since updated on an annual basis.



- The offer of compensation letters issued since fiscal year 2019-2020 are being published. This increases transparency of the decision-making process to the public.
- Since 2019, we are present on LinkedIn and Twitter, in addition to issuing newsletters on a regular basis.

Goal 3: An agile organization

The agility of the Fund has been essentially based on:

- The capacity to borrow resources from the Rail Fund to access additional capacity or expertise;
- The ability to use external service providers easily, through pools of resources or simplified RFPs;
- The Fund's student program.

Altogether, these have helped the Fund adjust to changing circumstances and adjust capacity. The Fund's agility was tested through its ability to adjust to COVID-19. Indeed, despite the pandemic, we have continued to operate normally, though working remotely.

- We received 27 claims in 2020-2021, for a total of \$2,082,447. This number of claims is the third highest ever in our history.

- On the outreach front, all the planned events were canceled or postponed at the beginning of the pandemic. During the second half of the fiscal year, online meetings, conferences and presentations resumed after most organizations had gained a new literacy and a level of comfort in the use of virtual meetings and tools. Therefore, all 2020-2021 outreach events took place virtually. The pandemic has therefore served not only as an agility test, but also as an agility accelerator, through the quick adoption of new communication and collaboration tools.

Goal 4: A structured organization

We have deployed a constant effort to document policies and processes, both with respect to the program (compensation and recovery) and with respect to corporate matters. This effort also includes the periodic update of these policies and processes.

We implemented a delegation framework. It encapsulates the delegation of financial and/or functional responsibilities to the Deputy Administrator, to management, and to some staff members. The appointment of the Deputy Administrator in 2018 has brought a positive impact on the Fund's office management and controls, since it has allowed sharing of the core responsibilities of the Administrator that cannot be delegated except to a Deputy Administrator.

Results and Assessment

Efficiency may be gauged by comparing operating expenses with the amounts paid to Canadian claimants.

- In 2011-2016, for \$1 paid to Canadian claimants, \$2 was used in operating expenses to run the office.
- In 2016-2021, for \$1 paid to Canadian claimants, 63¢ was used in operating expenses.

If we consider the ratio of Canadian claims paid plus the amount recovered from shipowners, this ratio progressed from 0.6 for the 2011-2016 period to 2 for the 2016-2021 period.

These numbers show a strong improvement in the ability to deliver more value to Canadians.

Agility may be gauged by the delay to adjust to changing circumstances. We have been able to adjust without delay to the multiple changes that occurred during the 2016-2021 period, including:

- Changes in the organizational chart (retirements, long term leaves, new positions);
- Surge in the number of claims received;
- Legislative amendments in December 2018;
- COVID-19.

On the structure front, the Special Examination report found that:

- The governance structure and responsibilities are clearly defined, documented and communicated;
- There is effective internal management; and
- The Administrator identifies, assesses, monitors and reports risks to achieving strategic objectives.

The Special Examination report also recommended that a new Information Technology plan be developed (including security and privacy) with the transition to an electronic document and records management system.

Next steps

We will undertake the following measures in 2021-2022:

Efficiency and agility

- An IM/IT assessment, followed by the adoption and implementation of a new IM/IT plan;
- Efforts to gain access to the federal government's pools of pre-qualified suppliers as an alternative source of procurement;
 - These pools have not been accessible so far because the Administrator's office is not covered by the *Financial Administration Act*, however this might not act as a definitive barrier.
- The student program will be advertised more aggressively, and more students will be hired.

Transparency

- Additional data will be captured and published in the annual report.
- Subscribers to the Fund's newsletter will be surveyed on their interest for other data.
- The published offers of compensation letters will become accessible via the legal database CanLII.